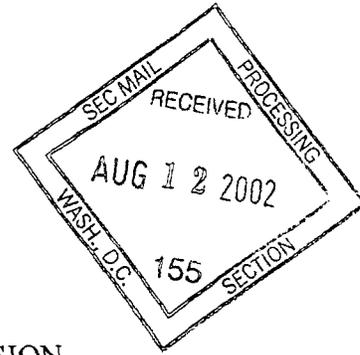




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7-31-02

FORM 6-K



SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Report of Foreign Issuer

Furnished Pursuant to Rule 13a - 16 or 15d - 16 of the
Securities Exchange Act of 1934

For the period April - July 2002

BRITISH AIRWAYS Plc

Waterside HBA3, PO Box 365, Harmondsworth UB7 0GB

PROCESSED

AUG 15 2002

P THOMSON
FINANCIAL

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CONTENTS

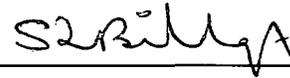
1.	Traffic and Capacity Statistics for March 2002	4 April 2002
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7.	Traffic and Capacity Statistics for June 2002	3 July 2002

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

BRITISH AIRWAYS Plc

Date: 1 August 2002

A handwritten signature in black ink, appearing to read 'S Billington', written over a horizontal line.

Sarah Billington
Manager Shareholder Services

TRAFFIC AND CAPACITY STATISTICS - MARCH 2002

Summary of the headline figures

Capacity in March, measured in Available Seat Kilometres, was 11.2 per cent below March 2001. Traffic, measured in Revenue Passenger Kilometres, fell 3.2 per cent. The reduction in traffic comprised a 9.2 per cent decline in premium traffic and a 2.1 per cent fall in non-premium traffic. Passenger load factor of 75.7 per cent was up 6.2 points on March 2001. Cargo, measured in Cargo Tonne Kilometres, fell by 2.5 per cent.

For the quarter ended 31 March 2002, ASKs fell by 11.1 per cent, while RPKs fell by 4.3 per cent. This resulted in a fourth-quarter load factor of 72.0 per cent, 5.1 points higher than the same period last year. Premium traffic in the quarter fell by 9.1 per cent with non-premium traffic falling by 3.3 per cent. Cargo, measured in Cargo Tonne Kilometres, fell by 5.4 per cent in the quarter.

Market conditions

Traffic is being maintained at the improved levels seen in recent months. Seat factor continues at record levels on the back of capacity reductions. In spite of discounting, total revenue continues to improve. Cargo also continues to improve and has shown its best volume performance since Sept 11th.

Costs

The cost cutting initiatives launched after September 11th and as part of Future Size and Shape continue to deliver financial benefits. As at February 28th manpower equivalents have reduced by 6,700, since August 2001. These reductions have largely been achieved without severance costs and, as a result, Q4 employee costs will be considerably lower than in the previous year. The severance for "Future Size and Shape" provided for in the year to March 31 2002 is expected to be in the region of £80 million; the balance is expected in the next financial year. Fuel costs are still expected to be some 6% lower than last year, recent fuel price increases will not affect the costs to March 31 2002.

Strategic developments

British Airways has made it easier for customers to get the best possible deal when booking flights online with the introduction of a new selling engine. With just one click customers can check availability together with the lowest prices by day, week or month. The new booking system has a colour-coded calendar which shows the best price for a range of dates, allowing customers to compare prices and make trade-offs between price and schedule.

British Airways received confirmation that the Government had approved the payment of compensation for the closure of US airspace for the four days after September 11th. The payment was in line with British Airways' claim of approximately £22 million.

EU transport ministers gave approval to a 60 day extension of government backed war and terrorism insurance for European airlines. Earlier in March the US Government granted a 60 day extension to its airlines.

Europe's newest regional airline took off on March 31st with the official launch of British Airways CitiExpress, a wholly owned subsidiary of British Airways Plc. BA CitiExpress is now a legal entity, operating under its own Air Operators Certificate to 48 destinations from 26 UK airports. BA CitiExpress has been created from the integration of two wholly owned subsidiaries, Brymon Airways and British Regional Airlines. Later this year two more subsidiaries, British Airways Regional and Manx Airlines will also join up with BA CitiExpress.

BRITISH AIRWAYS

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

BRITISH AIRWAYS GROUP SCHEDULED SERVICES	Month of March			Financial year to date April through March		
	2002	2001	Change (%)	2001/2	2000/1	Change (%)
Passengers carried (000)						
UK/Europe	2171	2264	-4.1	27337	27898	-2.0
Americas	587	622	-5.7	6679	8111	-17.7
Asia Pacific	162	163	-0.8	1786	2128	-16.0
Africa and Middle East	234	238	-1.9	2773	2951	-6.0
Total	3154	3288	-4.1	38575	41088	-6.1
Revenue passenger km (m)						
UK/Europe	1715	1846	-7.1	21876	23115	-5.4
Americas	4027	4266	-5.6	45693	55468	-17.6
Asia Pacific	1710	1631	+4.8	18108	21079	-14.1
Africa and Middle East	1579	1592	-0.8	18772	19534	-3.9
Total	9031	9334	-3.2	104448	119196	-12.4
Available seat km (m)						
UK/Europe	2659	3088	-13.9	34883	36339	-4.0
Americas	5052	5805	-13.0	62926	74488	-15.5
Asia Pacific	2108	2174	-3.0	24516	27498	-10.8
Africa and Middle East	2105	2364	-10.9	26372	28903	-8.8
Total	11924	13430	-11.2	148696	167227	-11.1
Passenger load factor (%)						
UK/Europe	64.5	59.8	+4.7 pts	62.7	63.6	-0.9 pts
Americas	79.7	73.5	+6.2 pts	72.6	74.5	-1.9 pts
Asia Pacific	81.1	75.0	+6.1 pts	73.9	76.7	-2.8 pts
Africa and Middle East	75.0	67.3	+7.7 pts	71.2	67.6	+3.6 pts
Total	75.7	69.5	+6.2 pts	70.2	71.3	-1.1 pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	373	383	-2.5	4030	4735	-14.9
Total RTK	1272	1308	-2.8	14466	16636	-13.0
Available tonne km (m)	1832	2010	-8.9	22624	24696	-8.4
Overall load factor (%)	69.4	65.1	+4.3 pts	63.9	67.4	-3.5 pts

Investor Relations
Waterside (HBA1)
PO Box 365
Harmondsworth
UB7 OGB
Tel: +44 (0) 20 8738 6947
Fax: +44 (0) 20 8738 9602



The company news service from the London Stock Exchange

Full Text Announcement

Other Announcements from this Company Send to a Friend

Company: British Airways PLC
TIDM: BAY
Headline: Directorate Change
Released: 13:35 5 Apr 2002
RNS Number: 1045U

Board Changes

Changes to the Board of British Airways were agreed at its Meeting this morning all of which will take effect from the Company's Annual General Meeting on 16 July, 2002. Currently five in number, the Board will reduce to eleven members.

Michael Davies, a Board Member since May 1983, is to retire at the end of his current three year term and will not be standing for re-election. After seven years on the Board, the Hon. Leonard Seitz will also retire.

In paying tributes, the Chairman of British Airways, Lord Marshall of Knightsbridge, said: "As our longest-serving non-executive director, Michael Davies has played a significant role in helping to guide this company to its successes and through some of its toughest challenges. His expertise and wise counsel have made an outstanding contribution to British Airways, for which we are immensely grateful.

Wynmond Seitz, who is retiring at his own request, also leaves with our thanks and much appreciation for his substantial contribution. His perspective on international affairs, in general; and his special knowledge of the vital US market, in particular, have been highly valued."

At the Annual General Meeting, shareholders will be asked to elect Mr Maarten van den Bergh as a non-executive Director for a term of three years. A Dutch national, Mr van den Bergh is a former Chairman of Lloyds TSB Group and a non-executive Director of BT Group and Royal Dutch Petroleum Company. An economics graduate, he began his career with the Royal Dutch/Shell Group of Companies in 1968 where he rose to President of the Royal Dutch Petroleum Company and Vice-Chairman of the Committee of Managing Directors of the Royal Dutch/Shell Group before retiring from these executive positions in 2000.

Lord Marshall previously announced, Lord Marshall of Knightsbridge, who will be 70 in November 2003, will be standing for re-election at the Annual General Meeting for a further period of two years.

At the Annual General Meeting, shareholders will also be asked to elect Mr John Rishton, Chief Financial Officer, and Captain Michael Jeffery, the non-executive Chairman of the Board's Safety Review Committee, both of whom were appointed to the Board since the last Annual General Meeting.

Other Board Members are Rod Eddington, Chief Executive, Mike Street, Director of Customer Service and Operations, Martin Broughton, Senior Independent non-executive Director, Baroness O'Cathain and Dr Martin Read.

Company website

TRAFFIC AND CAPACITY STATISTICS - APRIL 2002

Summary of the headline figures

Capacity in April, measured in Available Seat Kilometres, was 11.7 per cent below April 2001. Traffic, measured in Revenue Passenger Kilometres, fell 10.8 per cent. The reduction in traffic comprised a 3.4 per cent decline in premium traffic and a 12.4 per cent fall in non-premium traffic. Passenger load factor of 69.4 per cent was up 0.7 points on April 2001. Traffic volumes reflect the occurrence of Easter mainly in March this year, rather than April as in 2001. Cargo, measured in Cargo Tonne Kilometres, fell by 6.0 per cent.

Market conditions

Underlying traffic levels continue to be stable, as in previous months, with seat factor improving slightly on April 2001.

Costs

Around 65% of group fuel costs for the year ended March 31, 2003 are currently hedged. The total fuel bill is currently expected to be some £100 million lower than the previous year.

Strategic developments

British Airways CitiExpress, a wholly owned subsidiary of British Airways, unveiled the outcome of a Future Size and Shape review to ensure the profitability of its services at airports throughout the UK. The measures are designed to reduce further the cost base of the regional operation and deliver annual savings of £20 million by 2004. The net result of simplifying the business and removing complexity from the operation will mean employing the equivalent of 500 fewer people in two years time.

British Airways launched a change to its fare structure on key routes within the UK to give business travellers and holiday makers lower fares, greater flexibility and more choice. From 5 April Saturday night stay and advance purchase restrictions were scrapped on all domestic routes in and out of London, representing savings of up to 70 per cent on some journeys. New lower year round fares have been introduced with prices from £69 for a return to Edinburgh, Manchester, Newcastle and Glasgow and £79 for a return to Aberdeen. A further £5 discount is available on tickets booked on ba.com.

British Airways chief executive Rod Eddington urged governments to help pull the aviation industry out of a "time warp" of regulation and protectionism. Mr Eddington said the aviation markets have to be liberalised and modernised if the industry is to have a buoyant future. Mr Eddington also called for the European Commission to negotiate air service agreements on behalf of all member states, starting with the all-important US agreements. The move would increase competition and facilitate consolidation of the industry in Europe, he said.

British Airways has signed a deal with Warburg Pincus for the private equity investor to acquire a majority shareholding in World Network Services (WNS), the airline's India-based data management company. Under the terms of the transaction Warburg Pincus will acquire a 70 percent stake in WNS, including certain UK assets of Speedwing International Ltd. British Airways will retain a 30 percent shareholding in WNS.

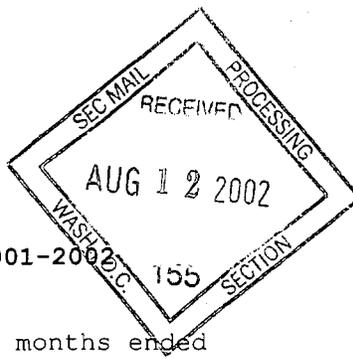
British Airways announced that it will be the official carrier of the England football squad until 2004 for both the World Cup and the European Championships in Portugal.

May 3, 2002

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

Month of April

BRITISH AIRWAYS SCHEDULED SERVICES	2002	2001	Change (%)
Passengers carried (000)			
UK/Europe	2209	2249	-1.8
Americas	534	579	-7.7
Asia Pacific	124	152	-18.4
Africa and Middle East	205	236	-13.2
Total	3072	3217	-4.5
Revenue passenger km (m)			
UK/Europe	1720	1891	-9.1
Americas	3618	3954	-8.5
Asia Pacific	1267	1509	-16.1
Africa and Middle East	1382	1598	-13.5
Total	7986	8953	-10.8
Available seat km (m)			
UK/Europe	2638	2994	-11.9
Americas	5197	5619	-7.5
Asia Pacific	1639	2092	-21.6
Africa and Middle East	2030	2319	-12.5
Total	11503	13023	-11.7
Passenger load factor (%)			
UK/Europe	65.2	63.2	+2.0 pts
Americas	69.6	70.4	-0.8 pts
Asia Pacific	77.3	72.2	+5.1 pts
Africa and Middle East	68.1	68.9	-0.8 pts
Total	69.4	68.7	+0.7 pts
Revenue tonne km (RTK) (m)			
Cargo tonne km (CTK)	333	354	-6.0
Total RTK	1127	1232	-8.5
Available tonne km (m)	1765	1966	-10.2
Overall load factor (%)	63.9	62.7	+1.2 pts



BRITISH AIRWAYS

PRELIMINARY FINANCIAL RESULTS 2001-2002

		Three months ended March 31			Twelve months ended March 31		
		2002	Restated 2001	Better/ (Worse)	2002	Restated 2001	Better/ (Worse)
Turnover	£m	1,953	2,121	(7.9)%	8,340	9,278	(10.1)%
Operating (loss)/profit	£m	(45)	(61)	26.2%	(110)	380	(128.9)%
Operating margin	%	(2.3)	(2.9)	0.6pts	(1.3)	4.1	(5.4)pts
(Loss)/profit before tax	£m	(85)	(65)	(30.8)%	(200)	150	(233.3)%
Retained loss for the period	£m	(43)	(195)	77.9%	(142)	(126)	(12.7)%
Capital and reserves at period end	£m	2,207	2,325	(5.1)%	2,207	2,325	(5.1)%
(Loss)/earnings per share							
<i>Basic</i>	p	(4.0)	(5.3)	24.5%	(13.2)	6.2	nm
<i>Diluted</i>	p	(4.0)	nm	nm	(13.2)	6.2	nm
Dividends per share	p	na	12.8		na	17.9	

nm: Not meaningful

na: Not applicable

Comparatives have been restated to reflect the adoption of FRS19 'Deferred Tax'

Investor Relations

Waterside (HBA1)

PO Box 365

Harmondsworth

Middlesex UB7 OGB

Tel: +44 (0) 20 8738 6947

Fax: +44 (0) 20 8738 9602

GROUP PROFIT AND LOSS ACCOUNT

	Three months ended March 31			Twelve months ended March 31		
	2002 £m	Restated 2001 £m	Better/ (Worse)	2002 £m	Restated 2001 £m	Better/ (Worse)
Traffic Revenue						
<i>Scheduled Passenger</i>	1,653	1,787	(7.5)%	7,036	7,803	(9.8)%
<i>Scheduled Cargo</i>	120	133	(9.8)%	483	579	(16.6)%
<i>Non-scheduled services</i>	9	7	28.6%	52	50	4.0%
	1,782	1,927	(7.5)%	7,571	8,432	(10.2)%
<i>Other revenue</i>	171	194	(11.9)%	769	846	(9.1)%
TOTAL TURNOVER	1,953	2,121	(7.9)%	8,340	9,278	(10.1)%
<i>Employee costs</i>	548	611	10.3%	2,329	2,376	2.0%
<i>Depreciation</i>	171	183	6.6%	770	715	(7.7)%
<i>Aircraft operating lease costs</i>	52	58	10.3%	199	221	10.0%
<i>Fuel and oil costs</i>	186	280	33.6%	1,028	1,102	6.7%
<i>Engineering and other aircraft costs</i>	197	163	(20.9)%	673	662	(1.7)%
<i>Landing fees and en route charges</i>	137	157	12.7%	615	645	4.7%
<i>Handling charges, catering and other operating costs</i>	265	289	8.3%	1,110	1,303	14.8%
<i>Selling costs</i>	194	285	31.9%	824	1,135	27.4%
<i>Accommodation, ground equipment costs and currency differences</i>	168	156	(7.7)%	822	739	(11.2)%
<i>Exceptional operating charge*</i>	80		(100.0)%	80		(100.0)%
TOTAL OPERATING EXPENDITURE	1,998	2,182	8.4%	8,450	8,898	5.0%
OPERATING (LOSS)/PROFIT	(45)	(61)	26.2%	(110)	380	(128.9)%
Share of operating profits in associates	18	36	(50.0)%	22	64	(65.6)%
TOTAL OPERATING (LOSS)/PROFIT INCLUDING ASSOCIATES	(27)	(25)	(8.0)%	(88)	444	nm
Other income	20	(1)	nm	21	1	nm
Profit/(loss) on sale of fixed assets and investments	10	4	150.0%	145	(69)	nm
Interest						
<i>Net payable</i>	(72)	(76)	5.3%	(324)	(297)	(9.1)%
<i>Retranslation on currency borrowings</i>	(16)	33	nm	46	71	(35.2)%
(LOSS)/PROFIT BEFORE TAX	(85)	(65)	(30.8)%	(200)	150	(233.3)%
Tax	46	13	253.8%	71	(69)	nm
(LOSS)/PROFIT AFTER TAX	(39)	(52)	25.0%	(129)	81	nm
Equity minority interest	(1)	(2)	50.0%	(1)	(2)	50.0%
Non equity minority interest**	(3)	(3)		(12)	(12)	
(LOSS)/PROFIT FOR THE PERIOD	(43)	(57)	24.6%	(142)	67	(311.9)%
Dividends paid and proposed		(138)	100.0%		(193)	100.0%
RETAINED LOSS FOR THE PERIOD	(43)	(195)	77.9%	(142)	(126)	(12.7)%

nm: Not meaningful

* Exceptional operating charge for restructuring costs relating to 'Future Size and Shape' programme

** Cumulative Preferred Securities

OPERATING AND FINANCIAL STATISTICS

	Three months ended			Twelve months ended		
	March 31		Increase/ (Decrease)	March 31		Increase/ (Decrease)
	2002	2001		2002	2001	

TOTAL AIRLINE OPERATIONS (Note 1)

(including British Regional Air Lines from May 10th, 2001 and go until June 14th, 2001)

TRAFFIC AND CAPACITY

RPK (m)	25,221	26,800	(5.9)%	106,270	123,197	(13.7)%
ASK (m)	34,988	40,018	(12.6)%	151,046	172,524	(12.4)%
Passenger load factor(%)	72.1	67.0	5.1pts	70.4	71.4	(1.0)pts
CTK (m)	1,005	1,056	(4.8)%	4,033	4,735	(14.8)%
RTK (m)	3,508	3,711	(5.5)%	14,632	16,987	(13.9)%
ATK (m)	5,319	5,883	(9.6)%	22,848	25,196	(9.3)%
Overall load factor (%)	66.0	63.1	2.9pts	64.0	67.4	(3.4)pts
Passengers carried (000)	8,831	9,721	(9.2)%	40,004	44,462	(10.0)%
Tonnes of cargo carried (000)	185	204	(9.3)%	755	914	(17.4)%

FINANCIAL

Passenger revenue per RPK (p)	6.59	6.69	(1.5)%	6.67	6.37	4.7%
Passenger revenue per ASK (p)	4.75	4.48	6.0%	4.69	4.55	3.1%
Cargo revenue per CTK(p)	11.94	12.59	(5.2)%	11.98	12.22	(2.0)%
Total traffic revenue per RTK (p)	50.80	51.93	(2.2)%	51.74	49.64	4.2%
Total traffic revenue per ATK (p)	33.50	32.76	2.3%	33.14	33.47	(1.0)%
Average fuel price before hedging (US cents/US gallon)	66.89	103.82	(35.6)%	81.29	103.94	(21.8)%

OPERATIONS

Average Manpower Equivalent (MPE)	53,410	58,720	(9.0)%	57,227	58,852	(2.8)%
ATKs per MPE (000)	99.6	100.2	(0.6)%	399.3	428.1	(6.7)%
Aircraft in service at period end	360	338	22	360	338	22

TOTAL GROUP OPERATIONS

FINANCIAL

Net operating expenditure per RTK (p)	52.08	53.57	(2.8)%	52.49	47.40	10.7%
Net operating expenditure per ATK (p)	34.35	33.79	1.7%	33.62	31.96	5.2%

Note 1: Excludes non airline activity companies, principally, Airmiles Travel Promotions Ltd, BA Holidays Ltd, BA Travel Shops Ltd, Speedwing International Group and The London Eye Company Ltd.

CHAIRMAN'S STATEMENT

Group performance

Group loss before tax for the year was £200 million against £150 million profit in the previous year. No interim dividend was paid and the Board has recommended that no final dividend be paid.

The loss reflects the significant reduction in passenger and cargo revenue due to the effects of September 11th, weakening global economies and the impact of Foot and Mouth in the UK. Cost efficiency actions continued throughout the year with reductions in manpower and most other costs. Capacity was reduced on unprofitable routes, both tactically and through the fleet and network strategy.

Airline operations passenger yield (pence/RPK) for the full year improved by 4.7% compared with last year despite deterioration during the second half. The operating margin was a deficit of 1.3%, 5.4 points worse than last year.

The fourth quarter results show that the actions we announced after September 11th are having a significant impact on costs. Loss before tax for the quarter was £85 million, £20 million worse than last year. Excluding exceptional restructuring costs, operating profit for the quarter was £35 million, £96 million better than last year, unit costs per ATK improved by 2.8% and total operating costs were down by 12.1%.

The ongoing focus on cash conservation resulted in a closing cash balance of £1,219 million; the largest year-end balance since privatisation. Cash burn in the fourth quarter was zero.

Turnover

For the twelve months, group turnover - - at £8,340 million - - was down 10.1% on a flying programme 9.3% smaller in ATKs. Group turnover for the quarter was down 7.9% - - at £1,953 million - - on capacity 9.6% lower.

Airline operations passenger yields for the quarter were down 1.5 % per RPK; seat factor was up 5.1 points at 72.1%, on capacity 12.6% lower in ASKs.

Cargo volumes for the quarter (CTKs) were down 4.8% compared with last year, with yields down 5.2%.

Unit costs

For the twelve month period, unit costs before exceptional restructuring (pence/ATK) increased by 4.1%, on capacity reduction, in ATKs, of 9.3%.

Unit costs for the fourth quarter, excluding exceptional restructuring, were down 2.8% on the same quarter last year. This reflects the total cost reduction of 12.1%, on capacity 9.6% lower in ATKs.

Airline operations manpower fell during the course of the year by 2.8% to 57,227. Productivity, measured in ATKs per MPE, was down by 6.7%.

Non-operating items

Net interest expense for the year was £278 million. This included a book credit for the revaluation of yen debts (used to fund aircraft acquisitions) of £49 million, compared to a credit the previous year of £73 million. The revaluation -- a non cash item required by standard accounting practice -- results from the weakening of the yen against sterling.

Profits on disposals of fixed assets and investments for the year were £145 million, reflecting primarily the disposal of our investment in Go Fly Ltd in June 2001. We also sold our investment in France Telecom (formerly shares held in Equant). This represents an improvement of £214 million compared with 2000/01.

Other income includes £22 million received from the UK Government as compensation, primarily for the closure of US airspace immediately following September 11th.

Earnings per share

For the twelve month period, losses attributable to shareholders were £142 million, equivalent to a loss of 13.2 pence per share, compared with equivalent earnings of 6.2 pence per share last year. The loss attributable to shareholders for the fourth quarter was equivalent to 4.0 pence per share, compared with last year's loss of 5.3 pence per share.

Net Debt / Total Capital ratio

Borrowings, net of cash and short-term loans and deposits, amounted to £6,294 million at the year end, an increase of £71 million from last year.

The year-end net debt/total capital ratio was 66%, a 1.5 point increase over last year but 0.5 points better than December 2001.

Cash flow

Net cash inflow from operating activities totalled £866 million, down £385 million from last year. However, the net cashflow before management of liquid resources and financing was £514 million, an improvement of £182 million on last year, due to a reduction in capital expenditure and an increase in the sale of fixed assets and investments more than offsetting the reduction in operating cash flow.

Aircraft fleet changes

The number of Group aircraft in service at March 31, 2002 was 360, an increase of 22 on the prior year. The increase primarily reflects the acquisition of British Regional Air Lines with 12 Jetstream 41, 13 British Aerospace ATP, 21 Embraer RJ145 and 5 British Aerospace 146 in service at year end. Conversely, the sale of ~~go~~ reduced Boeing 737-300 aircraft by 13. Other changes, in line with the ongoing fleet strategy, included new deliveries of 5 Boeing 777, 12 Airbus A319, 3 Airbus A320, 2 Boeing 737-300, 1 Avro RJ100 and 1 Embraer RJ145. Disposals included 8 Boeing 747-200, 18 Boeing 757-200, 2 Boeing 737-300, 3 Boeing 737-400, 1 ATR72 and 1 DHC-8. In addition, 5 Boeing 747-200 and 4 Boeing 757-200 are stood down awaiting disposal and 2 Boeing 737-300 went into service having previously been undergoing pre-service preparation at March 31, 2001.

Strategic Developments

In February, we announced the result of the study known as 'Future Size and Shape'. Unanimously approved by the Board, it re-defines the business of British Airways and the way in which the company will deliver necessary economic and competitive reform. This includes further actions to eliminate unprofitable segments of our business through capacity reduction, elimination of unnecessary complexity, and reduction in both overhead and front line manpower levels without reducing customer service standards. In addition, we are changing the shorthaul pricing proposition to compete more effectively with the no-frills carriers. We are also rationalising our property portfolio and driving simplification and cost reduction through Information Technology.

Subsidiaries and Associates

In April 2001, in partnership with Thomas Cook Ltd, we acquired a 50% holding in a newly formed company, Accoladia Ltd, a travel company into which the outbound business of BA Holidays was transferred.

Qantas issued new shares on two occasions during the year, by way of an institutional placement and shareholder placing respectively. British Airways did not take up its allocation, which resulted in the dilution of the group's shareholding from 25% to 21.4%.

On May 8, 2002, we announced the signing of a binding deal, which grants easyJet the option to buy 100% of Deutsche BA, by March 31, 2003.

Alliance Development

In January 2002, we advised that the US Department of Transportation's conditions for an anti-trust immune deal with American Airlines were too high to allow us to proceed. We remain committed to our alliance relationship with American Airlines and we are still working together to look for alternative commercial opportunities, albeit not requiring anti-trust immunity, in a number of areas. Our co-operation within the **oneworld** framework continues to develop alongside the bilateral discussions.

We continue to strengthen links with other **oneworld** partners and during the year code-share agreements were extended with Aer Lingus, Cathay Pacific and Iberia.

Outlook

Reform and re-structuring against a substantially changed competitive background are well under way. The concentration is on providing customers with the services they want at prices which are of value and at costs which make a satisfactory return for shareholders.

The current year is one of transition and still subject to global economic and political uncertainty. The market is expected to remain soft; but further capacity cuts should help to underpin yields and to support increases in seat factors. In a weak revenue environment, costs remain the focus.

GROUP BALANCE SHEET

	March 31	
	2002 £m	Restated 2001 £m
FIXED ASSETS		
Intangible assets	105	60
Tangible assets	10,509	10,662
Investments	489	426
	11,103	11,148
CURRENT ASSETS		
Stocks	109	170
Debtors	1,231	1,444
Cash, short-term loans and deposits	1,219	936
	2,559	2,550
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	(3,201)	(3,308)
NET CURRENT LIABILITIES	(642)	(758)
TOTAL ASSETS LESS CURRENT LIABILITIES	10,461	10,390
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
Borrowings and other creditors	(6,985)	(6,788)
Convertible Capital Bonds 2005	(112)	(113)
	(7,097)	(6,901)
PROVISIONS FOR DEFERRED TAX	(1,031)	(1,094)
PROVISIONS FOR LIABILITIES AND CHARGES	(126)	(70)
	2,207	2,325
CAPITAL AND RESERVES		
Called up share capital	271	271
Reserves	1,745	1,850
	2,016	2,121
Minority interest	9	18
Non equity minority interest	182	186
	2,207	2,325

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	Twelve months ended March 31	
	2002 £m	Restated 2001 £m
(Loss)/profit for the period	(142)	67
Other recognised gains and losses relating to the period:		
Exchange and other movements	17	(30)
Prior period adjustment	(1,094)	
Total recognised gains and losses	(1,219)	37

Prior year adjustment relates to the adoption of FRS 19 'Deferred Tax'.

These summary financial statements were approved by the Directors on May 20, 2002

GROUP CASH FLOW STATEMENT

	Twelve months ended	
	March 31	
	2002 £m	2001 £m
CASH INFLOW FROM OPERATING ACTIVITIES	866	1,251
DIVIDENDS RECEIVED FROM ASSOCIATES	16	33
GOVERNMENT COMPENSATION RECEIVED	22	
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(327)	(342)
TAX	(1)	15
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	94	(457)
ACQUISITIONS AND DISPOSALS	(19)	26
EQUITY DIVIDENDS PAID	(137)	(194)
Cash inflow before management of liquid resources and financing	514	332
MANAGEMENT OF LIQUID RESOURCES	(301)	159
FINANCING	(217)	(521)
Decrease in cash in the period	(4)	(30)

NOTES TO THE ACCOUNTS

For the period ended March 31, 2002

1 ACCOUNTING CONVENTION

The accounts have been prepared on the basis of the accounting policies set out in the Report and Accounts for the year ended March 31, 2002 in accordance with all applicable United Kingdom accounting standards and the Companies Act 1985 and are consistent with those applied in the previous year, with the exception of the implementation of FRS 19 'Deferred Tax'. As described in Note 7, the comparative figures have been restated as a result of implementing this standard. In addition, expendable stocks have been reclassified from fixed assets to stocks and comparative figures restated.

	Twelve months ended March 31	
	2002 £m	2001 £m
2 RECONCILIATION OF OPERATING (LOSS)/PROFIT TO CASH INFLOW FROM OPERATING ACTIVITIES		
Group operating (loss)/profit	(110)	380
Depreciation and amortisation	770	715
Other items not involving the movement of cash		(1)
Decrease/(increase) in stocks and debtors	186	(38)
(Decrease)/increase in creditors	(25)	204
Increase/(decrease) in provisions for liabilities and charges	45	(9)
Cash inflow from operating activities	866	1,251
3 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT		
Decrease in cash during the period	(4)	(30)
Net cash outflow from decrease in debt and lease financing	217	524
Cash outflow/(inflow) from liquid resources	301	(159)
Change in net debt resulting from cash flows	514	335
New finance leases taken out and hire purchase arrangements made	(512)	(663)
Divested from subsidiary undertakings sold during the period		69
Assumed from subsidiary undertakings acquired during the year	(117)	
Conversion of Convertible Capital Bonds	1	
Exchange movements	43	(48)
Movement in net debt during the period	(71)	(307)
Net debt at April 1	(6,223)	(5,916)
Net debt at period end	(6,294)	(6,223)

	Three months ended March 31		Twelve months ended March 31	
	2002 £m	2001 £m	2002 £m	2001 £m
4 OTHER INCOME				
Income from trade investments			1	1
Government compensation	22		22	
Other	(2)	(1)	(2)	
	20	(1)	21	1
Other income represented by:				
Group	20	(1)	21	1
	20	(1)	21	1

British Airways received Government compensation for the closure of US and

NOTES TO THE ACCOUNTS (continued)
For the period ended March 31, 2002

	Three months ended		Twelve months ended	
	March 31		March 31	
	2002 £m	2001 £m	2002 £m	2001 £m
5 PROFIT/(LOSS) ON SALE OF FIXED ASSETS AND INVESTMENTS				
Net profit on disposal of go			98	
Net profit on disposal of shares in France Telecom (formerly shares held in Equant)			23	
Net loss on disposal of Bedford Associates	(9)		(9)	
Net loss on disposal of Participations Aeronautiques		2		(54)
Share of net profit on disposal of Amadeus by Iberia		22		22
Net profit/(loss) on disposal of other fixed assets and investments	19	(20)	33	(37)
	10	4	145	(69)
Represented by:				
Group	7	(22)	142	(96)
Associates	3	26	3	27
	10	4	145	(69)
6 INTEREST				
Net payable:				
Interest payable less amount capitalised	78	102	374	389
Interest receivable	(6)	(26)	(50)	(92)
	72	76	324	297
Retranslation on currency borrowings	16	(33)	(46)	(71)
	88	43	278	226
Net interest payable represented by:				
Group	85	37	271	215
Associates	3	6	7	11
	88	43	278	226

7 TAX

During the year the company implemented FRS 19 'Deferred Tax', which requires full provision for deferred tax. Under the options allowed the company chose not to discount the resulting provision. Within the tax credit for the twelve months ended March 31, 2002 is a net credit of £71 million which arises as a result of implementing this standard, including a charge of £3 million relating to the sale of go and France Telecom. The taxation credit relating to the exceptional operating charge is £24 million. In addition, the comparatives have been restated, resulting in an increase to the tax charge of £47 million for the twelve months ended March 31, 2001. The deferred tax provision is included on balance sheet and amounts to £1,031 million at March 31, 2002 (March 31, 2001: £1,094 million). None of the deferred tax is expected to become payable in the foreseeable future.

8 EARNINGS/(LOSS) PER SHARE

Basic earnings/(loss) per share for the quarter ended March 31, 2002 are calculated on a weighted average of 1,076,090,000 ordinary shares (March 2001: 1,075,831,000) and for the twelve months ended March 31, 2002, on a weighted average of 1,076,042,000 ordinary shares (March 2001: 1,075,496,000) as adjusted for shares held for the purposes of employee share ownership plans including the Long Term Incentive Plan. Diluted earnings/(loss) per share for the quarter ended March 31, 2002 are calculated on a weighted average of 1,076,090,000 ordinary shares (March 2001: 1,086,510,000) and for the twelve months ended March 31, 2002 on a weighted average of 1,077,966,000 ordinary shares (March 2001: 1,085,163,000).

The number of shares in issue at March 31, 2002 was 1,082,757,000 (March 31, 2001: 1,082,757,000).

NOTES TO THE ACCOUNTS (continued)
For the period ended March 31, 2002

	<u>2002 £m</u>	<u>March 31 2001 £m</u>
9 TANGIBLE ASSETS		
Fleet	8,672	8,761
Property	1,335	1,418
Equipment	502	483
	<u>10,509</u>	<u>10,662</u>
10 INVESTMENTS		
Associated undertakings	425	381
Trade investments	39	20
Investment in own shares	25	25
	<u>489</u>	<u>426</u>
11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Loans	62	49
Finance Leases	208	106
Hire Purchase Arrangements	409	329
	<u>679</u>	<u>484</u>
Overdrafts - unsecured		3
Corporate taxation	29	31
Other creditors and accruals	2,493	2,790
	<u>3,201</u>	<u>3,308</u>
12 BORROWINGS AND OTHER CREDITORS FALLING DUE AFTER MORE THAN ONE YEAR		
Loans	1,483	992
Finance Leases	2,404	2,240
Hire Purchase Arrangements	2,835	3,327
	<u>6,722</u>	<u>6,559</u>
Other creditors and accruals	263	229
	<u>6,985</u>	<u>6,788</u>
13 RESERVES		
Balance at April 1	2,944	
Prior year adjustment *	(1,094)	
Balance at April 1 as restated	1,850	1,830
Retained loss for the period	(142)	(126)
Exchange and other adjustments	17	(30)
Goodwill written back on disposals	20	173
Premium arising from issue of ordinary share capital		3
	<u>1,745</u>	<u>1,850</u>

* Prior year adjustment relates to the adoption of FRS19 'Deferred Tax' (Note 7)

14 The figures for the three months and twelve months ended March 31, 2002 and 2001 are unaudited and do not constitute full accounts within the meaning of Section 240 of the Companies Act 1985. The Annual Report and Accounts for the year ended March 31, 2002 were approved by the Board of Directors today but have not been delivered to the Registrar of Companies; the report of the auditors on the accounts is unqualified. The figures for the year ended March 31, 2001, have been extracted, with certain minor presentational changes, from the full accounts for that year, which have been delivered to the Registrar of Companies and on which the auditors have issued an unqualified audit report.

UNITED STATES GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (US GAAP) INFORMATION

The accounts have been prepared in accordance with accounting principles accepted in the United Kingdom which differ in certain respects from those generally accepted in the United States. The significant differences are the same as those set out in the Report and Accounts for the year ended March 31, 2002. The comparatives have been adjusted to reflect the adoption of FRS 19 'Deferred Tax'. In addition the company has adopted FAS 133 effective from April 1, 2001 for US GAAP.

The adjusted net income and shareholders' equity applying US GAAP are set out below:

	Three months ended March 31		Twelve months ended March 31	
	2002 £m	2001 £m	2002 £m	2001 £m
(Loss)/profit for the period as reported in the Group profit and loss account	(43)	(57)	(142)	67
US GAAP adjustments	(22)	75	13	159
Net (loss)/ income as so adjusted to accord with US GAAP	(65)	18	(129)	226
Net (loss)/income per Ordinary Share as so adjusted				
Basic	(6.0)p	1.7p	(12.0)p	21.0p
Diluted	(6.0)p	n/a	(12.0)p	20.8p
Net (loss)/income per American Depositary Share as so adjusted				
Basic	(60)p	17p	(120)p	210p
Diluted	(60)p	n/a	(120)p	208p
Shareholders' equity as reported in the Group balance sheet			2,016	2,121
US GAAP adjustments			55	213
Shareholders' equity as so adjusted to accord with US GAAP			2,071	2,334

AIRCRAFT FLEET

Number in service with Group companies at March 31, 2002

	On balance sheet aircraft	Operating Leases off balance sheet Extendible	Other	Total Mar 2002	Changes since Mar 2001	Future Deliveries	Options
AIRLINE OPERATIONS (Note 1, 2 & 8)							
Concorde (Note 3)	7			7			
Boeing 747-200					(13)		
Boeing 747-400	56			56			
Boeing 777	45			45	5		
Boeing 767-300 (Note 4)	21			21			
Boeing 757-200	20	2	1	23	(22)		
Airbus A318						6	
Airbus A319 (Note 5)	21	10	2	33	12	6	113
Airbus A320	10		3	13	3	17	
Airbus A321						4	
Boeing 737-300 (Note 6)			27	27	(11)		
Boeing 737-400	20	5	6	31	(3)		
Boeing 737-500			10	10			
Turbo Props (Note 7)			44	44	23		
Embraer RJ145	15	5	9	29	22	1	17
Avro RJ100		16		16	1		
British Aerospace 146	5			5	5		
GROUP TOTAL	220	38	102	360	22	34	130

Notes:

- 1 Includes those operated by British Airways Plc, British Airways (European Operations at Gatwick) Ltd, Brymon Airways Ltd, CityFlyer Express, Deutsche BA and British Regional Air Lines.
- 2 Excludes 5 Boeing 757 - 200s, 5 Boeing 747 - 200s, stood down pending disposal or return to lessor, 1 Boeing 747 - 400 sub-leased to Qantas.
- 3 3 Concordes are currently stood down pending safety modifications.
- 4 Includes 4 Boeing 767 - 300s temporarily out of service.
- 5 Certain future deliveries and options include reserved delivery positions, and may be taking as any A320 family aircraft.
- 6 Net reduction includes 13 Boeing 737 - 300 aircraft disposed of with go.
- 7 Includes 12 Jetstream 41 aircraft, 13 British Aerospace ATP aircraft, 5 ATR 72 aircraft and 14 de Havilland Canada DHC-8 aircraft.
- 8 On the purchase of British Regional Air Lines 49 aircraft were acquired of which 47 were in service and comprised of 13 Jetstream 41 aircraft, 13 British Aerospace ATP aircraft, 18 Embraer 145 aircraft and 3 British Aerospace 146 aircraft.

TRAFFIC AND CAPACITY STATISTICS - MAY 2002*Summary of the headline figures*

Passenger load factor in May 2002 increased by 2.0 points versus last year, rising to 66.9 per cent. This was driven by a 10.2 per cent reduction in traffic, measured in Revenue Passenger Kilometres, on a reduction in capacity, measured in Available Seat Kilometres, of 12.9 per cent. The reduction in traffic comprised a 9.1 per cent decline in premium traffic and a 10.4 per cent fall in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, fell by 3.7 per cent.

Market conditions

Market conditions remain unchanged. Traffic volumes in shorthaul, particularly in the UK, and Asia Pacific offer some encouragement. Market share gains in the Americas region are helping to keep seat factors broadly unchanged, on a capacity reduction of just 7%. Premium traffic remains stable.

Strategic developments

British Airways signed a binding 'heads of agreement' deal with easyJet for the sale of Deutsche BA (DBA). Under the terms of the deal British Airways is granting easyJet the option to buy 100 per cent of Deutsche BA, by March 31, 2003. The deal is potentially worth between £18.3 million (30 million Euros) and £28 million (46 million Euros), dependent on when easyJet exercises the option.

British Airways announced it is to change the pension provision it makes for future new UK employees, moving from a defined benefit final salary basis to a defined contribution basis from autumn 2002. The decision will not affect the pension benefits of the 65,000 members of NAPS, the New Airways Pension Scheme, or the 36,000 members of APS, the original Airways Pension Scheme, which was available to employees who joined before 1984.

June 7, 2002

BRITISH AIRWAYS

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

BRITISH AIRWAYS GROUP SCHEDULED SERVICES	Month of May			Financial year to date April through May		
	2002	2001	Change (%)	2002	2001	Change (%)
Passengers carried (000)						
UK/Europe	2301	2504	-8.1	4511	4753	-5.1
Americas	542	581	-6.7	1077	1160	-7.2
Asia Pacific	119	134	-11.2	243	286	-15.0
Africa and Middle East	181	214	-15.1	387	450	-14.1
Total	3144	3433	-8.4	6217	6650	-6.5
Revenue passenger km (m)						
UK/Europe	1799	2019	-10.9	3519	3911	-10.0
Americas	3637	3951	-8.0	7259	7906	-8.2
Asia Pacific	1214	1329	-8.7	2480	2838	-12.6
Africa and Middle East	1205	1448	-16.8	2588	3046	-15.0
Total	7855	8747	-10.2	15846	17700	-10.5
Available seat km (m)						
UK/Europe	2686	3216	-16.5	5324	6209	-14.2
Americas	5343	5765	-7.3	10542	11384	-7.4
Asia Pacific	1735	2092	-17.1	3375	4184	-19.3
Africa and Middle East	1975	2400	-17.7	4008	4719	-15.1
Total	11740	13474	-12.9	23249	26497	-12.3
Passenger load factor (%)						
UK/Europe	67.0	62.8	+4.2 pts	66.1	63.0	+3.1 pts
Americas	68.1	68.5	-0.4 pts	68.9	69.4	-0.5 pts
Asia Pacific	69.9	63.5	+6.4 pts	73.5	67.8	+5.7 pts
Africa and Middle East	61.0	60.3	+0.7 pts	64.6	64.5	+0.1 pts
Total	66.9	64.9	+2.0 pts	68.2	66.8	+1.4 pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	363	377	-3.7	695	724	-4.1
Total RTK	1145	1238	-7.4	2272	2470	-8.0
Available tonne km (m)	1804	2037	-11.5	3570	4003	-10.8
Overall load factor (%)	63.5	60.7	+2.8 pts	63.6	61.7	+1.9 pts

Investor Relations
Waterside (HBA1)
PO Box 365
Harmondsworth
UB7 OGB
Tel: +44 (0) 20 8738 6947
Fax: +44 (0) 20 8738 9602



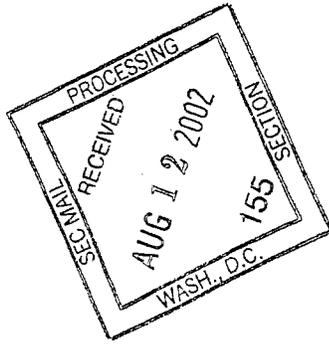
Text Announcement



Company British Airways PLC
TIDM BAY
Headline Director Shareholding
Released 17:13 1 Jul 2002
Number 0333Y

SCHEDULE 11

NOTIFICATION OF INTERESTS OF DIRECTORS AND CONNECTED PERSONS



Name of company

British Airways Plc

Name of director

Eddington

Please state whether notification indicates that it is in respect of holding of the shareholder named in 2 above or in respect of a non-beneficial interest or in the case of an individual whether it is a holding of that person's spouse or children under the age of 18 or in respect of a non-beneficial interest

Director

Name of the registered holder(s) and, if more than one holder, the number of shares held by each of them (if notified)

Please state whether notification relates to a person(s) connected with the director named in 2 above and identify the connected person(s)

Please state the nature of the transaction. For PEP transactions please indicate whether general/single co PEP and if discretionary/non discretionary

Number of shares / amount of stock acquired

Percentage of issued class

Number of shares/amount of stock disposed

Percentage of issued class

Class of security

Price per share

Date of transaction

Date company informed

Total holding following this notification

Total percentage holding of issued class following this notification

Director has been granted options by the company please complete the following boxes.

Date of grant

July 2002

Period during which or date on which exercisable

July 2005 - 1 July 2012

Total amount paid (if any) for grant of the option

Announcement

Description of shares or debentures involved: class, number

Ordinary Shares

Exercise price (if fixed at time of grant) or indication that price is to be fixed at time of exercise

Total number of shares or debentures over which options held following this notification

1055

Any additional information

Name of contact and telephone number for queries

Buchanan

020 8738 6877

Name and signature of authorised company official responsible for making this notification

Buchanan

Date of Notification

15 May 2002

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any action or decision taken as a result of using this document or any such material.

SCHEDULE 11

NOTIFICATION OF INTERESTS OF DIRECTORS AND CONNECTED PERSONS

Name of company

British Airways Plc

Name of director

Rishton

Please state whether notification indicates that it is in respect of holding of the shareholder named in 2 above or in respect of a non-beneficial interest or in the case of an individual whether it is a holding of that person's spouse or children under the age of 18 or in respect of a non-beneficial interest

Director

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Please state whether notification relates to a person(s) connected with the director named in 2 above and identify the connected person(s)

Please state the nature of the transaction. For PEP transactions please indicate whether general/single co PEP and if discretionary/non discretionary

Number of shares / amount of stock acquired

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centage of issued class

umber of shares/amount of stock disposed

Percentage of issued class

lass of security

rice per share

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ate company informed

Total holding following this notification

Total percentage holding of issued class following this notification

Director has been granted options by the company please complete the following boxes.

Date of grant

July 2002

Period during which or date on which exercisable

July 2005 - 1 July 2012

Total amount paid (if any) for grant of the option

Description of shares or debentures involved: class, number

Ordinary Shares

Exercise price (if fixed at time of grant) or indication that price is to be fixed at time of exercise

Announcement

Total number of shares or debentures over which options held following this notification

309

Any additional information

Name of contact and telephone number for queries

Buchanan

020 8738 6877

Name and signature of authorised company official responsible for making this notification

Buchanan

Date of Notification

15 July 2002

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SCHEDULE 11

NOTIFICATION OF INTERESTS OF DIRECTORS AND CONNECTED PERSONS

Announcement

Name of company

British Airways Plc

Name of director

Address Street

Please state whether notification indicates that it is in respect of holding of the shareholder named in 2 above or in respect of a non-beneficial interest or in the case of an individual if it is a holding of that person's spouse or children under the age of 18 or in respect of a non-beneficial interest

Director

Name of the registered holder(s) and, if more than one holder, the number of shares held by each of them (if notified)

Please state whether notification relates to a person(s) connected with the director named in 2 above and identify the connected person(s)

Please state the nature of the transaction. For PEP transactions please indicate whether general/single co PEP and if discretionary/non discretionary

Number of shares / amount of stock acquired

Percentage of issued class

Announcement
Number of shares/amount of stock disposed

Percentage of issued class

Class of security

Price per share

Date of transaction

State company informed

Total holding following this notification

Total percentage holding of issued class following this notification

Director has been granted options by the company please complete the following boxes.

Date of grant

1 / 2002

Period during which or date on which exercisable

1 / 2005 - 1 July 2012

Total amount paid (if any) for grant of the option

Description of shares or debentures involved: class, number

Ordinary Shares

Exercise price (if fixed at time of grant) or indication that price is to be fixed at time of exercise

Total number of shares or debentures over which options held following this notification

508

Any additional information

Announcement

Name of contact and telephone number for queries

Buchanan

020 8738 6877

Name and signature of authorised company official responsible for making this notification

Buchanan

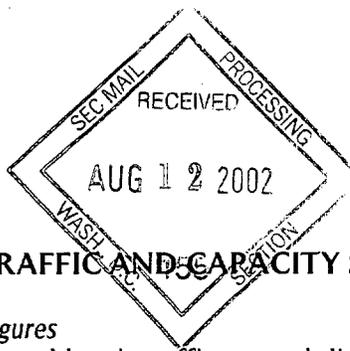
Date of Notification

15 July 2002

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Company website





BRITISH AIRWAYS

TRAFFIC AND CAPACITY STATISTICS - JUNE 2002

Summary of the headline figures

In a month that was impacted by air traffic control disruption in Europe, overall load factor improved by 1.3 points to 69.0 per cent. Passenger capacity in June, measured in Available Seat Kilometres, was 12.7 per cent below June 2001 while traffic, measured in Revenue Passenger Kilometres, fell by 13.1 per cent. This resulted in a small passenger load factor decline of 0.4 points versus last year, to 74.8 per cent. The decline in traffic comprised a 13.2 per cent decrease in premium traffic and a 13.1 per cent fall in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, decreased by 3.8 per cent.

For the April-June quarter, overall load factor rose 1.6 points, with passenger load factor rising 0.8 points to 70.3 per cent. ASKs reduced by 12.4 per cent, while RPKs fell by 11.4 per cent, resulting in a passenger load factor of 70.3 per cent. Premium traffic fell by 8.8 per cent, with non-premium falling by 11.9 per cent. CTKs reduced by 4.5 per cent.

Market conditions

An already soft market was further affected in June by air traffic control disruption, falling confidence in financial markets, two public holidays for the Queen's Golden Jubilee and the World Cup keeping many people at home. The overall market outlook continues to be soft. In UK/Europe, seat factors are expected to benefit from the further roll-out of new fare structures through the summer.

Costs

With markets remaining soft as expected, progress towards restructuring the cost base under the Future Size and Shape project remains comfortably on track. The next market update will be on August 2, with the first quarter results.

Strategic developments

British Airways launched the next phase of its shorthaul initiatives announced as part of the Future Size and Shape project in February. Air fares have been reduced on 42 more routes, making a total of 71 routes. This phase sees Saturday night stay and advance purchase restrictions removed for new lower year round air tickets on domestic flights in the UK and from the UK to France, Italy, Portugal, Holland, Sweden, Norway and Denmark.

A series of key new initiatives was unveiled by the oneworld alliance. The new steps include a major extension of alliance activity into the areas of cargo, engineering and maintenance, insurance, flight operations training and revenue accounting.

British Airways and Finnair, are expanding their current codesharing arrangements by adding destinations in South Africa, Canada, and the UK regions.

July 3, 2002

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

BRITISH AIRWAYS GROUP SCHEDULED SERVICES	Month of June			Financial year to date April through June		
	2002	2001	Change (%)	2002	2001	Change (%)
Passengers carried (000)						
UK/Europe	2338	2656	-12.0	6850	7409	-7.5
Americas	606	686	-11.7	1682	1846	-8.9
Asia Pacific	132	145	-9.3	36	432	-13.0
Africa and Middle East	195	238	-18.2	581	688	-15.5
Total	320	3725	-12.2	9490	10375	-8.5
Revenue passenger km (m)						
UK/Europe	183	2168	-13.6	5394	6078	-11.3
Americas	4069	4642	-12.4	11328	12548	-9.7
Asia Pacific	1329	1446	-8.1	3814	4284	-11.0
Africa and Middle East	1284	1594	-19.5	382	4640	-16.6
Total	8555	9850	-13.1	24408	27551	-11.4
Available seat km (m)						
UK/Europe	2609	3142	-16.9	935	9351	-15.1
Americas	5181	5654	-8.4	1523	17038	-7.7
Asia Pacific	101	1972	-13.8	505	6156	-17.6
Africa and Middle East	1946	2327	-16.4	5954	7046	-15.5
Total	11438	13095	-12.7	34688	39592	-12.4
Passenger load factor (%)						
UK/Europe	1.8	69.0	+2.8 pts	68.0	65.0	+3.0 pts
Americas	8.5	82.1	-3.6 pts	2.0	73.6	-1.6 pts
Asia Pacific	8.2	73.3	+4.9 pts	5.2	69.6	+5.6 pts
Africa and Middle East	66.0	68.5	-2.5 pts	65.0	65.8	-0.8 pts
Total	4.8	75.2	-0.4 pts	0.4	69.6	+0.8 pts
Revenue tonne km (RTK) (m)						
Cargo tonne km (CTK)	361	375	-3.8	1053	1096	-4.0
Total RTK	1215	1349	-9.9	3484	3819	-8.8
Available tonne km (m)	160	1992	-11.6	5334	5994	-11.0
Overall load factor (%)	69.0	67.7	+1.3 pts	65.3	63.7	+1.6 pts