

BRITISH AIRWAYS PLC
Form 6-K
July 17, 2003

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 ending 3 July 2003

BRITISH AIRWAYS Plc

Waterside HBA3, PO Box 365, Harmondsworth UB7 0GB

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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: 17 July 2003
Sarah Billington Manager Shareholder Services

TRAFFIC AND CAPACITY STATISTICS - June 2003

Summary of the headline figures

In June 2003, overall load factor rose 1.3 points to 70.3 per cent. Passenger capacity, measured in Available Seat Kilometres, was 3.1 per cent above June 2002 and traffic, measured in Revenue Passenger Kilometres, was higher by 5.8 per cent. This resulted in a passenger load factor up 2.0 points versus last year, to 76.8 per cent. The increase in traffic comprised a 2.5 per cent reduction in premium traffic and a 7.3 per cent increase in non-premium traffic. Cargo, measured in Cargo Tonne Kilometres, fell by 1.2 per cent.

For the April to June quarter, ASKs rose by just 0.1 percent, with RPKs rising by 2.1 percent. This resulted in an increase in passenger load factor of 1.4 points, to 70.4 percent. This comprised a 12.4 per cent fall in premium traffic and a 4.9 percent increase in non-premium traffic. CTKs rose by 0.2 per cent

Market conditions

Traffic is gradually improving from the lowest levels seen earlier this year largely driven by last minute bookings that have been stronger than in previous years. Yields continue weak, and the outlook is for revenue in the first quarter to be well down on the previous year. The operating result for the quarter is expected to be marginally positive. The

outlook remains fragile with traffic volumes being very sensitive to yield.

Costs

As a result of Yen depreciation against sterling, there will be a non-cash accounting profit of £45 million in the first quarter financial results. The loss on disposal from dba (formerly Deutsche BA) of £79 million will be included in the first quarter. Fuel costs for the financial year ending 31 March 2004 are still expected to be approximately £100 million higher than for the year ended 31 March 2003. The company is currently some 45% hedged in quarter two, some 35% hedged in quarter three and 30% hedged for quarter four.

Strategic Developments

British Airways called for the development of a second runway at Birmingham airport, an extra runway at Edinburgh or Glasgow airport and new passenger terminals at Manchester airport in its response to the government's regional air studies consultation on UK airports development outside south east England up to 2030. BA also said any new runway at London Heathrow airport should have between 30 and 60 daily take-offs and landings reserved for extra flights to more UK regional airports.

British Airways welcomed the decision by the Transport Council to grant the European Commission a mandate to negotiate a new air treaty to replace existing bilaterals between the European Union member states and the United States.

British Airways has been named as the "best low cost airline" in an annual Guardian newspaper poll. The airline, which restructured its European and domestic fare structure in summer 2002, now offers new reduced fares on more than 170 routes across the continent.

From July 1, 2003 British Airways UK and Jersey reservation and general enquiries telephone lines will be merged into a new number - 0870 850 9 850.

July 3, 2003

BRITISH AIRWAYS MONTHLY TRAFFIC AND CAPACITY STATISTICS

| | Month of June | | | Financial year to date | | |
|--------------------------|--------------------|------|-------|------------------------|------|--------|
| | April through June | | | | | |
| BRITISH AIRWAYS GROUP | | | | Change | | Change |
| SCHEDULED SERVICES | 2003 | 2002 | (%) | 2003 | 2002 | (%) |
| Passengers carried (000) | | | | | | |
| UK/Europe | 2437 | 2338 | +4.2 | 6958 | 6850 | +1.6 |
| Americas | 672 | 606 | +10.9 | 1812 | 1682 | +7.7 |
| Asia Pacific | 102 | 132 | -22.5 | 272 | 376 | -27.5 |
| Africa and Middle East | 221 | 195 | +13.5 | 606 | 581 | +4.2 |
| Total | 3432 | 3270 | +4.9 | 9649 | 9490 | +1.7 |
| Revenue passenger km (m) | | | | | | |
| UK/Europe | 2034 | 1873 | +8.6 | 5686 | 5394 | +5.4 |

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| | | | | | | |
|------------------------|------|------|-------|-------|-------|-------|
| Americas | 4458 | 4069 | +9.6 | 12145 | 11328 | +7.2 |
| Asia Pacific | 1097 | 1329 | -17.5 | 2965 | 3814 | -22.3 |
| Africa and Middle East | 1465 | 1284 | +14.1 | 4124 | 3872 | +6.5 |
| Total | 9054 | 8555 | +5.8 | 24919 | 24408 | +2.1 |

Available seat km (m)

| | | | | | | |
|------------------------|-------|-------|------|-------|-------|------|
| UK/Europe | 2799 | 2609 | +7.3 | 8367 | 7935 | +5.4 |
| Americas | 5381 | 5181 | +3.9 | 15580 | 15723 | -0.9 |
| Asia Pacific | 1612 | 1701 | -5.2 | 4847 | 5075 | -4.5 |
| Africa and Middle East | 2001 | 1946 | +2.8 | 5929 | 5954 | -0.4 |
| Total | 11794 | 11438 | +3.1 | 34722 | 34688 | +0.1 |

Passenger load factor (%)

| | | | | | | | | |
|------------------------|------|------|-------|-----|------|------|-------|-----|
| UK/Europe | 72.6 | 71.8 | +0.8 | pts | 68.0 | 68.0 | +0.0 | pts |
| Americas | 82.8 | 78.5 | +4.3 | pts | 78.0 | 72.0 | +6.0 | pts |
| Asia Pacific | 68.1 | 78.2 | -10.1 | pts | 61.2 | 75.2 | -14.0 | pts |
| Africa and Middle East | 73.2 | 66.0 | +7.2 | pts | 69.6 | 65.0 | +4.6 | pts |
| Total | 76.8 | 74.8 | +2.0 | pts | 71.8 | 70.4 | +1.4 | pts |

Revenue tonne km (RTK) (m)

| | | | | | | |
|------------------------|------|------|------|------|------|------|
| Cargo tonne km (CTK) | 357 | 361 | -1.2 | 1054 | 1053 | +0.2 |
| Total RTK | 1260 | 1215 | +3.7 | 3536 | 3484 | +1.5 |
| Available tonne km (m) | 1792 | 1760 | +1.8 | 5285 | 5334 | -0.9 |

| | | | | | | | | |
|-------------------------|------|------|------|-----|------|------|------|-----|
| Overall load factor (%) | 70.3 | 69.0 | +1.3 | pts | 66.9 | 65.3 | +1.6 | pts |
|-------------------------|------|------|------|-----|------|------|------|-----|

Certain information included in this statement is forward-looking and involves risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward looking statements.

Forward-looking statements include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of the Company's 'Future Size and Shape' programme, expected future revenues, financing plans and expected expenditures and divestments. All forward-looking statements in this report are based upon information known to the Company on the date of this report. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

It is not reasonably possible to 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. Information on some factors which could result in material difference to the results is available in the Company's SEC filings, including, without limitation the Company's Report on Form 20-F for the year ended March 2002.

Investor Relations

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