

## Graydon UK

### Level 3-Comprehensive Credit Rating Report

<b>Supplied on</b>	12 May 2008
<b>Client Reference</b>	Sample Report
<b>Reporter Verification</b>	In order to ensure the accuracy of this report, certain information has been verified.

### Company Identification Details

<b>Subject Reported on</b>	BRITISH AIRWAYS PLC
<b>Registration Number</b>	01777777
<b>VAT Number</b>	GB222452988
<b>Address</b>	WATERSIDE, PO BOX 365, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>Telephone</b>	020 8738 5050
<b>Facsimile</b>	020 8562 5332
<b>Web Address</b>	www.ba.com

### Creditline Recommendations

<b>Graydon Rating</b>	<b>1B</b> GBP 50m plus financial strength rating based on net worth plus net current assets/liabilities
<b>Monthly Credit Guide</b>	<b>GBP 875,000</b>
<b>Risk Category</b>	<b>LOW RISK</b>
<b>Odds of Financial Stress (next 12 months)</b>	<b>149.30 / 1</b>

The definition of 'Financial Stress' is either Dissolution, Liquidation, Receivership, Petition for Winding-up, Resolution for Winding-up, Winding-up Order, Creditors Meeting or Administration.

### XSection Summary

**Number of XSections** 0

Note : An 'XSection' is only recorded when unusual patterns of behaviour or financial results have been identified.

### Payment Behaviour

#### Indicator in Poor zone -

Stricter payment terms and close supervision of the account is recommended.

#### Indicator in Normal zone -

Will need chasing from time to time.

#### Indicator in Good zone -

Likely to pay invoices on or near to due date.

The payment behaviour gauge (above) indicates how fast the subject may pay its creditors based on information provided to Graydon from its trade payment programme, county courts and financial statements.

### Official Company Data

<b>Legal Form</b>	Public Limited Company
<b>Registration Number</b>	01777777
<b>VAT Number</b>	GB222452988

<b>FTSE 100 Ticker</b>	BAY stock exchange London
<b>Subject Status</b>	Trading
<b>Date of Incorporation</b>	13/12/1983
<b>Registered Office</b>	WATERSIDE, PO BOX 365, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>History</b>	26/02/1998 : The Registered Office address changed from SPEEDBIRD HOUSE, HEATHROW AIRPORT (LONDON), H.  Acquired business of 67% AIR LIBERTE,FRANCE (FFR440M) - FT on 6/11/1996.
<b>Date of Last Annual Return to Registry</b>	31/07/2007
<b>Registered Objectives</b>	TO CARRY ON BUSINESS AS AN AIRLINE
<b>Accounts</b>	The last filed accounts at Companies House are those to 31/03/2007
<b>Accounting Reference Date</b>	31/03

## Operations

<b>Activities</b>	Operation of international and domestic scheduled & charter air services.
<b>Nace Code</b>	6210
<b>Premises</b>	Owned,Offices
<b>Staff Employed</b>	48,070
<b>Trading Divisions</b>	MARKETING, CARGO,, ENGINEERING, PROPERTIES,, MANAGEMENT DEVELOPMENT, CATERING
<b>Trade Names</b>	BRITISH AIRWAYS LEISURE, AIR MILES HOLIDAY HOTLINE, BA CITYFLYER
<b>Product Names</b>	CLUB EUROPE, CLUB WORLD, BA CLUBS
<b>Import Countries</b>	ALL OVER THE WORLD
<b>Export Countries</b>	ALL OVER THE WORLD
<b>Bankers</b>	BARCLAYS BANK PLC
<b>Address</b>	LONDON.
<b>Auditors</b>	Ernst & Young LLP
<b>Branches</b>	PO BOX 10, LONDON HEATHROW AIRPORT, HOUNSLOW, MIDDLESEX, TW6 2JA.  UNIT A, PROLOGIS PARK, GREEN LANE, HOUNSLOW, TW4 6ER.  CRANE LODGE ROAD, CRANFORD, MIDDLESEX, TW59 9PQ.  WORLD CARGO CENTRE, P O BOX 99 LONDON HEATHROW AIRPO, HOUNSLOW, MIDDLESEX, TW6 2JS.  CITYFLYER, PIONEER HSE TOWERS BUSINESS PARK, WILMSLOW ROAD, MANCHESTER, M20 2BA.
<b>Associated Companies</b>	Concorde International Travel Pty Limited, a company incorporated in AUSTRALIA  Deutsche BA Luftfahrtgesellschaft mbH, a company incorporated in GERMANY  Galileo International Partnership, a company incorporated in USA  Hogg Robinson Plc  Qantas Airways Limited, a company incorporated in AUSTRALIA  Ruby Aircraft Leasing & Trading Limited  Sapphire Aircraft Leasing & Trading Limited

**Subsidiaries**

AIR MILES TRAVEL PROMOTIONS LIMITED  
AIRWAYS AERO ASSOCIATIONS LIMITED  
ALTA HOILDAYS LIMITED  
AVIATION DEFENCE LIMITED  
AVIATION SUPPORT SERVICES LIMITED  
BA AND AA HOLDINGS LIMITED  
BA CITYFLYER LIMITED  
BA MILES LIMITED  
BOAC LIMITED  
BRITAIR HOLDINGS LIMITED  
BRITISH AIRWAYS (ESPANA) LIMITED  
BRITISH AIRWAYS (EUROPEAN OPERATIONS AT GATWICK) LIMITED  
BRITISH AIRWAYS (NO 1) LIMITED  
BRITISH AIRWAYS (NO. 2) LIMITED  
BRITISH AIRWAYS ASSOCIATED COMPANIES LIMITED  
BRITISH AIRWAYS AVIONIC ENGINEERING LIMITED  
BRITISH AIRWAYS CITIEXPRESS LIMITED  
BRITISH AIRWAYS CONNECT LIMITED  
BRITISH AIRWAYS ENGINE OVERHAUL LIMITED  
BRITISH AIRWAYS ENGINEERING SERVICES LIMITED  
BRITISH AIRWAYS FINANCIAL SERVICES LIMITED  
BRITISH AIRWAYS GLOBAL FINANCIAL SERVICES LIMITED  
BRITISH AIRWAYS HELICOPTERS LIMITED  
BRITISH AIRWAYS HOLIDAYS LIMITED  
BRITISH AIRWAYS INTERIOR ENGINEERING LIMITED  
BRITISH AIRWAYS LEASING LIMITED  
BRITISH AIRWAYS MAINTENANCE CARDIFF LIMITED  
BRITISH AIRWAYS MEDICAL SERVICES FOR TRAVELLERS ABROAD LIMIT  
BRITISH AIRWAYS MILEAGE COMPANY LIMITED  
BRITISH AIRWAYS PENSION ADMINISTRATION LIMITED  
BRITISH AIRWAYS PENSION TRUSTEE (NO. 2) LIMITED  
BRITISH AIRWAYS QUEST LIMITED  
BRITISH AIRWAYS REGIONAL LIMITED  
BRITISH AIRWAYS TRAVEL SHOPS LIMITED  
BRITISH AIRWAYS VISITORS' SERVICES LIMITED  
BRITISH AIRWAYS 777 LEASING LIMITED  
BRITISH ASIA AIRWAYS LIMITED  
BRITISH CALEDONIAN AIRWAYS LIMITED

BRITISH CALEDONIAN GROUP PUBLIC LIMITED COMPANY  
 BRITISH CALEDONIAN PENSIONS TRUSTEES LIMITED  
 BRITISH REGIONAL AIR LINES GROUP LIMITED  
 BRITISH REGIONAL AIRLINES (SCOTLAND) LIMITED  
 BRITISH REGIONAL AIRLINES LIMITED  
 CALEDONIAN AVIATION SERVICES LIMITED  
 CALEDONIAN LEISURE LIMITED  
 CAMBRIAN AIRWAYS LIMITED  
 CANTRILL (BIRMINGHAM) LIMITED  
 CHAMELEON TRAINING & CONSULTING LIMITED  
 DAN-AIR AVIATION LIMITED  
 DAN-AIR SERVICES LIMITED  
 DAVIES & NEWMAN TRAVEL LIMITED  
 DAVIES AND NEWMAN OFFSHORE SERVICES LIMITED  
 DUNWOODY AIRLINE SERVICES (HOLDINGS) LIMITED  
 EMG MARKETING LIMITED  
 FLYBE LEASING LIMITED  
 GLOBAL AVIATION FUNDING LIMITED  
 MIDDLE EAST VISITORS' SERVICES LIMITED  
 OPENSKIES AVIATION LIMITED  
 OVERSEAS AIR TRAVEL LIMITED  
 RATHREED LIMITED  
 REMOTEREPORT TRADING LIMITED  
 SOVEREIGN HOLIDAYS LIMITED  
 SPEEDWING AIRSYSTEMS LIMITED  
 SPEEDWING INTERNATIONAL LIMITED  
 SPEEDWING TRAINING LIMITED  
 TELEFLIGHT LIMITED  
 THE MILEAGE COMPANY LIMITED  
 THE PLIMSOLL LINE LIMITED  
 UNIQUEPOINT LIMITED  
 WEB TRAVEL SYSTEMS LIMITED

#### Historical Graydon Rating

Date	Graydon Rating	Monthly Credit Guide
12/05/2008	1B	875,000
12/02/2008	1B	875,000
12/11/2007	1A	1,125,000
12/08/2007	1A	1,125,000
12/05/2007	1A	1,125,000

#### Public Record Information

## Summary of CCJ's/Scottish Decrees

Period	Last 72 Months	Last 36 Months	Last 18 Months
Amount Summary	22,631	20,072	19,827
Count Summary	9	7	6
Unsettled Amount Summary	22,538	20,072	19,827
Highest Amount Summary	7,928	7,928	7,928

## Details of the most recent CCJ's/Scottish Decrees

Date	Amount	Type	Case No	Satisfied	Court
29/04/2008	424	Judgment	8QT32065		NORTHAMPTON CCBC
31/03/2008	7,928	Judgment	8CL00789		CENTRAL LONDON
14/08/2007	5,455	Judgment	7QT24882		NORTHAMPTON
24/04/2007	1,020	Judgment	7YO00790		YORK
22/12/2006	4,890	Judgment	6KT04793		KINGSTON ON THAMES
21/12/2006	110	Judgment	6QZ86284		NORTHAMPTON CCBC
25/10/2005	245	Judgment	5RC00557		RUNCORN
31/01/2005	93	Judgment	5XJ00168	29/04/2005	NORTHAMPTON
17/05/2004	2,466	Judgment	4QZ10195		NORTHAMPTON CCBC

## Summary of Mortgages, Charges and Satisfactions

<b>Total Number of Mortgages/Charges Registered</b>	<b>594</b>
Number Outstanding	514
Number Partially Satisfied	0
Number Satisfied	80
Date of Latest Mortgage Created	18/12/2007
Date of Latest Satisfaction	13/02/2008

## Details of most recent Mortgages, Charges and Satisfactions

Date Fully Satisfied	Date Registered	Date Created	Charge Description	Form Type	Lender
	27/12/2007	18/12/2007	Assignment Of Insurances	395	Dia Holmes Limited
	20/12/2007	11/12/2007	An Assignment Of Insurances	395	Smfl N Lease Nin-I-Kumiai
	12/12/2007	29/11/2007	A Deed Of Assignment (Insurances)	395	Yamasa Sangyo Aircraft Ba4 Kumiai
	03/10/2007	27/09/2007	Deed Of Assignment (Insurances)	395	Yamasa Sangyo Aircraft Ba3 Kumiai
	14/09/2007	06/09/2007	Deed Of Assignment	395	Yamasa Sangyo Aircraft Ba2 Kumiai
	10/08/2007	25/07/2007	A Deed Of Assignment (Insurance)	395	Yamasa Sangyo Aircraft Ba1 Kumiai
	13/06/2007	25/05/2007	Assignment Of Insurances Agreement	395	Trident Turboprop (Dublin) Limited
	13/06/2007	25/05/2007	Assignment Of Insurances Agreement	395	Trident Aviation Leasing Services (Jersey) Limited

13/06/2007	25/05/2007	Assignment Of Insurances Agreement	395	Trident Aviation Leasing Services (Jersey) Limited
13/06/2007	25/05/2007	Assignment Of Insurances Agreement	395	Trident Aviation Leasing Services (Jersey) Limited

It should be noted that there is no legal requirement to file satisfaction details of mortgages/charges at Companies House.

### Other Filings and Notices

Date	Source	Description
12/04/2008	Companies House Gazette	Alteration in memorandum or articles of association
07/02/2008	Companies House Gazette	Returns of allotments of a public company
04/01/2008	Companies House Gazette	Returns of allotments of a public company
22/12/2007	Companies House Gazette	Returns of allotments of a public company
15/12/2007	Companies House Gazette	Returns of allotments of a public company
03/11/2007	Companies House Gazette	Returns of allotments of a public company
01/11/2007	Companies House Gazette	Returns of allotments of a public company
18/10/2007	Companies House Gazette	Returns of allotments of a public company
11/10/2007	Companies House Gazette	Returns of allotments of a public company
04/10/2007	Companies House Gazette	Returns of allotments of a public company
25/09/2007	Companies House Gazette	Returns of allotments of a public company
21/08/2007	Companies House Gazette	Returns of allotments of a public company
11/08/2007	Companies House Gazette	Returns of allotments of a public company
06/08/2007	Companies House Gazette	Returns of allotments of a public company
06/08/2007	Companies House Gazette	Alteration in memorandum or articles of association
30/07/2007	Companies House Gazette	Returns of allotments of a public company
17/07/2007	Companies House Gazette	Returns of allotments of a public company
07/07/2007	Companies House Gazette	Returns of allotments of a public company
26/06/2007	Companies House Gazette	Returns of allotments of a public company
15/06/2007	Companies House Gazette	Returns of allotments of a public company

### Company Secretary

<b>Secretary</b>	ALAN KERR BUCHANAN
<b>Address</b>	WATERSIDE, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	16/06/1958
<b>Appointment Date</b>	01/04/2000
<b>Other Directorships</b>	BRITISH CALEDONIAN GROUP PUBLIC LIMITED COMPANY, AVIATION INSURANCE CONSULTANTS LIMITED, BRITISH CALEDONIAN AIRWAYS LIMITED, OPENSIES AVIATION LIMITED, BOAC LIMITED, BRITISH AIRWAYS (ESPANA) LIMITED, CALEDONIAN RISK MANAGEMENT LIMITED, BRITISH AIRWAYS (EUROPEAN OPERATIONS AT GATWICK) LIMITED, THE MILEAGE COMPANY LIMITED, BRITISH AIRWAYS ASSOCIATED COMPANIES LIMITED, BRITAIN AIRWAYS LIMITED, BA MILES LIMITED, CALEDONIAN AVIATION INVESTMENTS LIMITED, THE PLIMSOLL LINE LIMITED, CHAMELEON TRAINING & CONSULTING LIMITED, SPEEDWING INTERNATIONAL LIMITED, BRITISH AIRWAYS TRAVEL SHOPS LIMITED, BRITISH AIRWAYS REGIONAL LIMITED, REMOTEREPORT TRADING LIMITED, OVERSEAS AIR TRAVEL LIMITED, BRITAIR HOLDINGS LIMITED, BRITISH AIRWAYS QUEST LIMITED, BRITISH AIRWAYS GLOBAL FINANCIAL SERVICES LIMITED, BA AND AA HOLDINGS

LIMITED, BRITISH AIRWAYS MILEAGE COMPANY LIMITED, BRITISH AIRWAYS LEASING LIMITED, BRITISH AIRWAYS FINANCIAL SERVICES LIMITED, BRITISH AIRWAYS 777 LEASING LIMITED

## Directors

<b>Chief Executive</b>	JAMES ARTHUR LAWRENCE
<b>Address</b>	WATERSIDE, HARMONDSWORTH, UB7 0GB.
<b>Country of Origin</b>	USA
<b>Date of Birth</b>	18/10/1952
<b>Appointment Date</b>	01/11/2006
<b>Director</b>	CHUMPOL NA LAMLIENG
<b>Address</b>	WATERSIDE, HARMONDSWORTH, UB7 0GB.
<b>Country of Origin</b>	THAILAND
<b>Date of Birth</b>	25/04/1947
<b>Appointment Date</b>	01/11/2005
<b>Director</b>	WILLIAM MATTHEW WALSH
<b>Address</b>	WATERSIDE, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>Country of Origin</b>	IRISH REPUBLIC
<b>Date of Birth</b>	25/10/1961
<b>Appointment Date</b>	03/05/2005
<b>Chairman</b>	MAARTEN ALBERT VAN DEN BERGH
<b>Address</b>	THE SHELL CENTRE, LONDON, SE1 7NA.
<b>Country of Origin</b>	NETHERLANDS
<b>Date of Birth</b>	19/04/1942
<b>Appointment Date</b>	16/07/2002
<b>Other Directorships</b>	BT GROUP PLC, ROYAL DUTCH SHELL PLC
<b>Accountant</b>	KEITH WILLIAMS
<b>Address</b>	WATERSIDE, PO BOX 365 HARMONDSWORTH, WEST DRAYTON, MIDDLESEX, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	13/05/1956
<b>Appointment Date</b>	01/01/2006
<b>Other Directorships</b>	BRITISH CALEDONIAN GROUP PUBLIC LIMITED COMPANY, AVIATION INSURANCE CONSULTANTS LIMITED, BRITISH CALEDONIAN AIRWAYS LIMITED, OPENSKIES AVIATION LIMITED, BOAC LIMITED, BRITISH AIRWAYS (ESPANA) LIMITED, CALEDONIAN RISK MANAGEMENT LIMITED, BRITISH AIRWAYS (EUROPEAN OPERATIONS AT GATWICK) LIMITED, THE MILEAGE COMPANY LIMITED, BRITISH AIRWAYS ASSOCIATED COMPANIES LIMITED, BRITAIN AIRWAYS LIMITED, BA MILES LIMITED, CALEDONIAN AVIATION INVESTMENTS LIMITED, THE PLIMSOLL LINE LIMITED, CHAMELEON TRAINING & CONSULTING LIMITED, SPEEDWING INTERNATIONAL LIMITED, BRITISH AIRWAYS TRAVEL SHOPS LIMITED, REMOTEREPORT TRADING LIMITED, OVERSEAS AIR TRAVEL LIMITED, BRITAIR HOLDINGS LIMITED, BRITISH AIRWAYS QUEST LIMITED, BRITISH AIRWAYS GLOBAL FINANCIAL SERVICES LIMITED, BA AND AA HOLDINGS LIMITED, BRITISH AIRWAYS MILEAGE COMPANY LIMITED, BRITISH AIRWAYS LEASING LIMITED, BRITISH AIRWAYS FINANCIAL SERVICES LIMITED, BRITISH AIRWAYS 777 LEASING LIMITED, BA EUROPEAN LIMITED
<b>Director</b>	KENNETH PETER ROSS SMART

<b>Address</b>	WATERSIDE, HARMONDSWORTH, WEST DRAYTON, MIDDLESEX, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	28/04/1946
<b>Appointment Date</b>	19/07/2005
<b>Other Directorships</b>	THE CHIRP CHARITABLE TRUST
<b>Director</b>	ELIZABETH CONWAY SYMONS
<b>Address</b>	WATERSIDE, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	14/04/1951
<b>Appointment Date</b>	19/07/2005
<b>Other Directorships</b>	CAPARO INDUSTRIES PLC, JOINT ARAB-BRITISH CHAMBER OF COMMERCE(THE), CAPARO PLC
<b>Director</b>	ALISON CLARE REED
<b>Address</b>	WATERSIDE, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	22/12/1956
<b>Appointment Date</b>	01/12/2003
<b>Other Directorships</b>	THE MOVEMENT FOR NON-MOBILE CHILDREN (WHIZZ-KIDZ)
<b>Director</b>	DENISE PATRICIA BYRNE KINGSMILL
<b>Address</b>	WATERSIDE, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	24/04/1947
<b>Appointment Date</b>	05/11/2004
<b>Other Directorships</b>	THE DESIGN MUSEUM
<b>Chief Executive</b>	DOCTOR MARTIN PETER READ
<b>Address</b>	WATERSIDE, PO BOX 365, HARMONDSWORTH, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	16/02/1950
<b>Appointment Date</b>	12/05/2000
<b>Other Directorships</b>	SHELTER, THE NATIONAL CAMPAIGN FOR HOMELESS PEOPLE LIMITED, HAMPSHIRE TECHNOLOGY CENTRE TRUST LIMITED (THE)
<b>Accountant</b>	MARTIN FAULKNER BROUGHTON
<b>Address</b>	WATERSIDE P O BOX 365, HARMONDSWORTH, WEST DRAYTON, UB7 0GB.
<b>Country of Origin</b>	UNITED KINGDOM
<b>Date of Birth</b>	15/04/1947
<b>Appointment Date</b>	12/05/2000

### Share Capital

<b>Shares</b>	Ordinary GBP 0.25 Each
<b>Issued Number</b>	1,151,990,126
<b>Principal Shareholder</b>	Deutsche Bank AG Vidacos Nominees AMVESCAP PLC Legal & General Group PLC Barclays PLC

The above reflects the principle shareholder(s) by number of shares held, irrespective of share classification type.

### General Information

**15/04/2008**

British Airways has said that two of its senior executives will leave the company after the opening of its Terminal 5 was dogged by problems. BA said Gareth Kirkwood, director of operations, and David Noyes, director of customer services, would be leaving. The company said it would now look to appoint one person to cover both roles. The opening of Terminal 5 was beset by a catalogue of problems, with staff not able to get into work, thousands of bags mislaid, and flights cancelled.

### 10/03/2008

Talks to avert a strike by pilots, angered by British Airways' employment plans for a newly-formed transatlantic subsidiary, have broken down. Union officers had met the airline at Acas, after an earlier vote in favour of industrial action by pilots. British Airline Pilots Association (Balpa) says staff at the new carrier, BA OpenSkies, will be hired on inferior terms to those of existing workers. BA says it would be too costly to match existing conditions at the new venture. The airline said if strike dates were issued, it would seek a court injunction to prevent pilots taking industrial action.

### 07/03/2008

British Airways shares fell 7.55% after it said high fuel bills, economic slowdown and the cost of Heathrow's Terminal 5 will hit 2008 earnings. The airline expects a rise in revenue of 4%-4.5% to more than £9.1bn in the year to March 2009. Fuel costs will rise by £450m to £2.5bn, a 20% increase, with non-fuel costs expected to be up by 3%-3.5%. As a result, the airline is forecasting an operating margin of about 7% for the financial year 2008/09.

### 04/06/2007

British Airways executive directors and members of its leadership team will not receive bonuses for the last financial year, as a result of a fall in operating profit margins and the failure to meet other key objectives. In the year to March, BA operating profits fell by 13 per cent from £694m to £602m. The group's operating profit margin declined from 8.5 per cent to 7.1 per cent. The decline meant that the BA workforce as a whole did not receive a pay-out under the group's profit-sharing scheme either.

## Financial Data

For annual accounts images, view the  [Document Image list](#)

### Profit and Loss

*The following figures are shown in units of 1000*

Number of Weeks	52	52	52	52
Accounts Date	31/03/2007	31/03/2006	31/03/2005	31/03/2004
Consolidated	Yes	Yes	Yes	Yes
Currency	GBP	GBP	GBP	GBP
<b>SALES</b>	<b>8492000</b>	<b>8213000</b>	<b>7772000</b>	<b>7560000</b>
Cost of goods sold				7008000
<b>GROSS PROFIT</b>				<b>552000</b>
Wages and Salaries	1522000	1558000	1518000	1463000
Directors Emoluments	2811	5042	2479	1828
Auditors Fees	2291	2221	1675	1498
Non-Audit Fees	2034	953	1362	660
Trading Profit	1379000	1382000	1275000	1067000
Depreciation	777000	688000	719000	669000
<b>OPERATING PROFIT</b>	<b>602000</b>	<b>694000</b>	<b>556000</b>	<b>398000</b>
Non Trading Income	950000	866000	555000	111000
Interest Payable	941000	944000	598000	279000
<b>PRE TAX PROFIT</b>	<b>611000</b>	<b>616000</b>	<b>513000</b>	<b>230000</b>
Taxation	173000	152000	121000	85000
<b>PROFIT AFTER TAX</b>	<b>438000</b>	<b>464000</b>	<b>392000</b>	<b>145000</b>
<b>RETAINED PROFITS</b>	<b>290000</b>	<b>451000</b>	<b>377000</b>	<b>130000</b>

### Balance Sheet

*The following figures are shown in units of 1000*

Number of Weeks	52	52	52	52
Accounts Date	31/03/2007	31/03/2006	31/03/2005	31/03/2004

<b>Consolidated</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
<b>Currency</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>TOTAL FIXED ASSETS</b>	<b>7945000</b>	<b>8505000</b>	<b>8914000</b>	<b>9336000</b>
Tangible Assets	7733000	8272000	8660000	9168000
Fixed Assets	7357000	7882000	8329000	8637000
Intermediate assets	376000	390000	331000	531000
Intangible Assets	212000	233000	254000	168000
<b>TOTAL CURRENT ASSETS</b>	<b>3439000</b>	<b>3669000</b>	<b>2757000</b>	<b>2765000</b>
Trade debtors	654000	685000	685000	676000
Stocks	76000	83000	84000	76000
Other Current Assets	2709000	2901000	1988000	2013000
Misc Current Assets	1996000	2503000	1439000	1907000
Due From Group				42000
Cash	713000	398000	549000	64000
<b>TOTAL ASSETS</b>	<b>11384000</b>	<b>12174000</b>	<b>11671000</b>	<b>12101000</b>
<b>TOTAL CURRENT LIABILITIES</b>	<b>3625000</b>	<b>3432000</b>	<b>3269000</b>	<b>2996000</b>
Trade creditors	723000	752000	897000	840000
Short Term Loans	435000	496000	559000	714000
Bank Loans	68000	86000	63000	102000
Other Finance	367000	410000	496000	580000
Due To Group				32000
Other Liabilities	2467000	2184000	1813000	1442000
<b>WORKING CAPITAL</b>	<b>(186000)</b>	<b>237000</b>	<b>(512000)</b>	<b>(231000)</b>
<b>TOTAL LONG TERM LIABS</b>	<b>5548000</b>	<b>6881000</b>	<b>7217000</b>	<b>6918000</b>
Long Term Loans	2940000	3621000	4053000	5160000
Bank Loans	569000	721000	794000	802000
Other Finance	2371000	2900000	3259000	4358000
Other Liabilities	2608000	3260000	3164000	1758000
<b>NET ASSETS/ (LIABILITIES)</b>	<b>2211000</b>	<b>1861000</b>	<b>1185000</b>	<b>2187000</b>
<b>SHARE CAPITAL + RESERVES</b>	<b>2211000</b>	<b>1861000</b>	<b>1185000</b>	<b>2187000</b>
Share Cap + Sundry Res	1308000	1272000	1032000	1028000
Issued Share Capital	288000	283000	271000	271000
Sundry Reserves	1020000	989000	761000	757000
Revaluation Reserves				262000
Profit and Loss account	903000	589000	153000	897000
<b>SHAREHOLDERS FUNDS</b>	<b>2211000</b>	<b>1861000</b>	<b>1185000</b>	<b>2187000</b>
<b>CAPITAL EMPLOYED</b>	<b>7759000</b>	<b>8742000</b>	<b>8402000</b>	<b>9105000</b>

### Financial Comparison

The following figures are shown in units of 1000

<b>Number of Weeks</b>	<b>52</b>	<b>52</b>	<b>52</b>	<b>52</b>
<b>Accounts Date</b>	<b>31/03/2007</b>	<b>31/03/2006</b>	<b>31/03/2005</b>	<b>31/03/2004</b>
<b>Consolidated</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
<b>Currency</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>	<b>GBP</b>
<b>Net Cashflow from Oper.</b>	1072000	1607000	1247000	1093000
<b>Increase in Cash</b>	331000	357000	(457000)	(158000)
<b>Directors Remuneration</b>	2811	5042	2479	1828
<b>Auditors Remuneration</b>	2291	2221	1675	1498
<b>Liquid Assets</b>	1367000	1083000	1234000	740000
<b>Net Working Capital</b>	(186000)	237000	(512000)	(231000)
<b>Long Term Debt(&gt;12 Months)</b>	2940000	3621000	4053000	5160000
<b>Other Deferred Liabs</b>	2608000	3260000	3164000	1758000
<b>Tangible Net Worth(T.N.W)</b>	1999000	1628000	931000	2019000
<b>Equity</b>	2211000	1861000	1185000	2187000

<b>Number of Years Trading</b>	24	23	22	21
<b>Number of Employees</b>	48070	49957	50326	51939
<b>Profit per Employee</b>	12710.6	12330.6	10193.5	4428.3
<b>Sales per Employee</b>	176659	164401.4	154433.1	145555.4

### Key Credit Ratios

The following figures are shown as Ratios or Percentages

Accounts Date	31/03/2007	31/03/2006	31/03/2005	31/03/2004
<b>Consolidated</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
<b>Current Ratio</b>	0.9	1.1	0.8	0.9
<b>Long Term Debt/T.N.W</b>	1.5	2.2	4.4	2.6
<b>Pre Tax Profit Margin%</b>	7.2	7.5	6.6	3
<b>Gross Profit%</b>				7.3
<b>Debtors Days (D.S.O)</b>	28	30	32	33
<b>Creditors Days (D.P.O)</b>	31	33	42	41
<b>Quick Ratio</b>	0.9	1	0.8	0.9
<b>W.I.P/Inventory Days</b>				4
<b>Return on Investment%</b>	18.9	16.9	12.4	5.2
<b>Return on Assets%</b>	5.4	5.1	4.4	1.9
<b>T.N.W/Total Assets%</b>	17.6	13.4	8	16.7
<b>Return on Capital%</b>	7.9	7	6.1	2.5
<b>Rtn on Shareholders Funds%</b>	27.6	33.1	43.3	10.5
<b>Working Capital/Sales%</b>	(2.2)	2.9	(6.6)	(3.1)
<b>Borrowing Ratio%</b>	168.8	252.9	495.4	290.9
<b>Equity Gearing%</b>	24.1	18	11.3	22.1
<b>Stock Turnover</b>	111.7	99	92.5	99.5
<b>Days Purchases Outstanding</b>				43.7

### Key Industry Sector Trends

Year	2007	2006	2005	2004
<b>Sample Size</b>	<b>213</b>	<b>369</b>	<b>388</b>	<b>400</b>
<b>Pre-Tax Profit Margin</b>	8.1	0.8	2.3	1.6
<b>Current Ratio</b>	1.4	1.7	1.6	1.3
<b>Borrowing Ratio</b>	3.1	(4.8)	(23)	(42.1)
<b>Return on Capital</b>	73.2	19.9	23.5	31.3
<b>Creditors Days</b>	122	46	51	46

Above figures relate to companies in 1992 Standard Industry Classification (Nace) sector : Scheduled air transport

### Financial Summary

#### Auditors Qualification

The Auditors have expressed a clean opinion (i.e. unqualified with no referrals) on the accounts for the period ended 31/03/2007.

#### Turnover

The subjects turnover has increased by 3 % in the year.

#### Operating Profit

Totalled GBP 602,000,000. In the year prior a Profit of GBP 694,000,000 was achieved.

#### Working Capital

The company's working capital position has reduced from a surplus and is now a deficiency of GBP 186,000,000.

#### Net Worth

Net worth has increased by 19 % and now stands at GBP 2,211,000,000.

#### Fixed Assets

The subject's fixed assets reduced during the year by GBP 560,000,000 to GBP

7,945,000,000 and are now 69 % of total assets compared with 69 % in the previous year.

**Long Term Liabilities**

The company's long term liabilities reduced during the period by 19 % and are now 251 % of net worth compared with 370 % in the previous period.

**Long Term Liabilities**

Long term liabilities are now 49 % of total liabilities compared with 57 % in the previous period.

**Long Term Liabilities**

Long term liabilities are 72 % of capital employed, a decrease of 7 % over the previous period.

**\*\*\* End of Report on BRITISH AIRWAYS PLC \*\*\***