

## British Airways Plc<sup>1</sup> - SIX MONTHS RESULTS ANNOUNCEMENT for 2014 (Unaudited)<sup>2</sup>

### BA period highlights:

- Operating profit increased by £117 million to £269 million for the six months ended 30 June 2014 (2013: £152 million).
- Revenue for the six months ended 30 June 2014 increased by 1.8 per cent to £5,577 million (2013: £5,476 million). Passenger unit revenue at constant currency down 0.1 per cent.
- Total expenditure on operations excluding fuel per ASK decreased by 4.7 per cent to 4.22p from 4.43p in the same period last year. The decrease in non-fuel unit costs are due to a combination of the increase in ASKs of 6.7 per cent, cost saving initiatives and favourable impact of currency differences.
- Fuel costs for the six months ended 30 June 2014 improved by 3.9 per cent to £1,769 million (2013: £1,840 million).
- Net debt as of the six months ended 30 June 2014 decreased by £370 million to £1,598 million from £1,968 million.

### Performance summary:

CONTINUING OPERATIONS		Six months ended 30 June		Better / (Worse)
		2014	2013	
Revenue	£m	5,577	5,476	1.8%
Operating profit	£m	269	152	77.0%
Profit/(loss) before tax	£m	220	(101)	317.8%
Profit/(loss) after tax	£m	175	(92)	290.2%

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OTHER DATA		As at		Better / (Worse)
		30 June 2014	31 December 2013	
Cash and cash equivalents and other current interest bearing deposits	£m	2,477	1,850	33.9%
Net debt	£m	(1,598)	(1,968)	18.8%
Equity	£m	2,710	2,455	10.4%

<sup>1</sup> British Airways Plc (the Company, 'BA') is a public limited company incorporated and domiciled in England and Wales. The summary consolidated financial statements included herein are not the Company's statutory accounts. The basis of preparation and accounting policies set out in the Report and Accounts for the year ended 31 December 2013 have been applied in the preparation of these summary consolidated financial statements.

<sup>2</sup> The financial information shown in this publication is unaudited and does not constitute statutory financial statements. BA Annual Report and Accounts 2013 have been filed with the Registrar of Companies in England and Wales; the report of the auditors on those accounts was unqualified and did not contain a statement under section 498(2) or section 498(3) of the UK Companies Act 2006.

**GROUP INCOME STATEMENT (unaudited)**

For the six months ended 30 June

£ million	2014	2013	Better / (Worse)
<b>CONTINUING OPERATIONS</b>			
Passenger	4,970	4,838	2.7%
Cargo	302	348	(13.2)%
Traffic revenue	5,272	5,186	1.7%
Other revenue	305	290	5.2%
<b>Total revenue</b>	<b>5,577</b>	<b>5,476</b>	<b>1.8%</b>
Employee costs	1,211	1,190	(1.8)%
Restructuring	5	1	nm
Depreciation, amortisation and impairment	404	353	(14.4)%
Aircraft operating lease costs	35	43	18.6%
Fuel, oil and emission costs	1,769	1,840	3.9%
Engineering and other aircraft costs	304	329	7.6%
Landing fees and en route charges	385	379	(1.6)%
Handling charges, catering and other operating costs	665	648	(2.6)%
Selling costs	231	232	nm
Currency differences	(9)	25	136.0%
Accommodation, ground equipment, IT costs and other expenses	308	284	(8.5)%
<b>Total expenditure on operations</b>	<b>5,308</b>	<b>5,324</b>	<b>0.3%</b>
<b>Operating profit</b>	<b>269</b>	<b>152</b>	<b>77.0%</b>
Net non-operating costs	(49)	(253)	80.6%
<b>Profit/(loss) before tax from continuing operations</b>	<b>220</b>	<b>(101)</b>	<b>317.8%</b>
Tax	(45)	9	(600.0)%
<b>Profit/(loss) after tax from continuing operations</b>	<b>175</b>	<b>(92)</b>	<b>290.2%</b>
<b>DISCONTINUED OPERATIONS</b>			
<b>Profit/(loss) after tax from discontinued operations</b>			
<b>Profit/(loss) after tax</b>	<b>175</b>	<b>(92)</b>	<b>290.2%</b>
Attributable to:			
Equity holders of the parent	167	(101)	265.3%
Non-controlling interest	8	9	nm
	<b>175</b>	<b>(92)</b>	<b>290.2%</b>

**TOTAL GROUP OPERATIONS - CONTINUING OPERATIONS**

		Six months ended 30 June		Better / (Worse)
		2014	2013	
<b>TRAFFIC AND CAPACITY</b>				
Revenue passenger kilometres (RPK)	m	66,377	62,879	5.6%
Available seat kilometres (ASK)	m	83,864	78,608	6.7%
Passenger load factor	%	79.1	80.0	(0.9)pts
Cargo tonne kilometres (CTK)	m	2,225	2,259	(1.5)%
Passengers carried	'000	19,829	19,097	3.8%
<b>FINANCIAL</b>				
Passenger revenue per RPK	p	7.49	7.69	(2.6)%
Passenger revenue per ASK	p	5.93	6.15	(3.6)%
Cargo revenue per CTK	p	13.57	15.41	(11.9)%
Total expenditure on operations per ASK	p	6.33	6.77	6.5%
Total expenditure on operations excluding fuel per ASK	p	4.22	4.43	4.7%

**TOTAL AIRLINE OPERATIONS - CONTINUING OPERATIONS (Note 1)**

		Six months ended 30 June		Better / (Worse)
		2014	2013	
<b>OPERATIONS</b>				
Average Manpower Equivalent (MPE)		38,721	38,609	0.3%
Aircraft in service at period end		286	273	4.8%

**Note 1**

Excludes non-airline activity companies, principally Avios Group (AGL) Limited, BA Holidays Limited and Speedbird Insurance Company Limited.