

Form of Conversion Notice and Nationality Declaration

British Airways Plc
£350,000,000 5.80 per cent. Bonds due 2014
convertible into Ordinary Shares of British Airways Plc

(Please read the bonds overleaf before completing this Conversion Notice)

Name:..... Date:.....

Address:

Signature*:

*Where the Bonds in respect of which this Conversion Notice is given are evidenced by the Global Bond, the Conversion Notice need not be signed. In such a case, delivery of the Conversion Notice will constitute confirmation by the beneficial owner of interests in the Bonds to be converted that the information and the representations in the Conversion Notice are true and accurate on the date of delivery. For the avoidance of doubt, the Nationality Declaration must be signed in all cases.

Failure to deliver properly and completely this Conversion Notice and the annexed Nationality Declaration (in the determination of the Paying and Conversion Agent) may result in this Conversion Notice being treated as null and void. Once validly delivered, this Conversion Notice is irrevocable.

To: **British Airways Plc** (the “**Issuer**”)

I/We, [the undersigned] being the holders of the [Bond(s)/interests in the Global Bond] (please delete as applicable) specified below, hereby elect to convert the principal amount of such Bonds as specified below of which I/We are the holders(s) or in which I/we have an interest (as specified below) for ordinary shares of the Issuer (“**Ordinary Shares**”) in accordance with the terms and conditions of the Bonds.

1 Total principal amount and, where applicable, the serial numbers of Bonds to which this Conversion Notice applies:

Number of Bonds:

Total principal amount (must be a minimum of £100,000, or an integral multiple of £1,000 thereafter):.....

Serial numbers of Bonds*
.....

2 I/We request that the Ordinary Shares to be issued and delivered pursuant to this Conversion Notice be credited to the CREST account, details of which are set out below.

CREST Participant ID:

Member Account ID:

Name:

* Not required for Bonds evidenced by the Global Bond

Address:

I/We hereby request that any payment of interest required to be made pursuant to Condition 5(i) of the Bonds be paid to the person whose name and address is given below and in the manner specified below/transferred to the sterling account, details in respect of which are given below:

Name:

Address:

.....

.....

Manner of despatch (if other than by ordinary mail to the above address):

.....

Account no:

Account name:

Bank:

Branch:

Sort Code:

Bonds

- (i) This Conversion Notice will be void unless the introductory details and Sections 1 and 2 are duly completed.
- (ii) Your attention is drawn to Condition 5 of the Bonds with respect to the conditions relating to conversion.
- (iii) Dispatch of statements of holding of Ordinary Shares will be made at the risk and (if sent at the request of such person otherwise than by ordinary mail) expense of the Bondholder, and the Bondholder will be required to prepay the expenses of, and submit any necessary documents required in order to effect, dispatch in any other manner specified hereon.
- (iv) If a retroactive adjustment of the Conversion Price contemplated by the Conditions is required in respect of a conversion of the Bonds, statements of holding of Ordinary Shares for the additional Ordinary Shares deliverable pursuant to such retroactive adjustment will be dispatched in the same manner as the statements of holding of Ordinary Shares previously issued pursuant to this Conversion Notice or, as the case may be, payments of cash will be made in the manner requested above.
- (v) This Conversion Notice may be completed by or on behalf of an accountholder of Euroclear or Clearstream, Luxembourg or any clearing system in which the relevant Bond is held at such time which has an interest in such Bond.

- (vi) The holding of an interest in a Bond by an accountholder of Euroclear or Clearstream, Luxembourg or any clearing system in which the relevant Bond is held in respect of which Conversion Rights are exercised will be confirmed by the Principal Paying and Conversion Agent against a SWIFT message received from the relevant clearing system.
- (vii) Terms used in this Conversion Notice and not otherwise defined have the meanings set forth in the Trust Deed, dated 13 August 2009, between the Issuer and The Law Debenture Trust Corporation p.l.c.

For Paying and Conversion Agent's use only:

3

- (A) Bond conversion identification reference: []
- (B) Date of delivery of Conversion Notice to Paying and Conversion Agent:
- (C) Conversion Date (to be filled in by Paying and Conversion Agent):

4

- (A) Aggregate principal amount [of Bonds deposited for conversion/represented by the Global Bonds]* being converted:
- (B) Conversion Price on Conversion Date:
- (C) Number of Ordinary Shares to be issued (if any): (disregard fractions)

N.B. The Paying and Conversion Agent must complete items 3 and 4.

* Delete as appropriate.

Please affix this Form to the reverse of the Transfer

To: Computershare Investor Services PLC
PO Box 82
The Pavilions
Bridgwater Road
Bristol
BS99 7NH

BRITISH AIRWAYS Plc

DECLARATION REGARDING NATIONALITY TO BE MADE BY OR ON BEHALF OF ALL TRANSFEREES

THE rights of British Airways Plc ("BA") to operate services, in particular on international routes, could be withdrawn if BA ceased to be substantially owned and effectively controlled by UK nationals. Accordingly, the Articles of Association of BA contain powers which may be used to limit the number or voting rights of shares in which non-UK nationals own interests or, if necessary, to require their compulsory disposal, or to restrict the transferability of shares.

The Directors are not able to register a share issue unless one of the declarations set out overleaf has been completed and signed where indicated by or on behalf of every subscriber (or, in the case of a corporation, sealed by the corporation or signed on its behalf by an attorney or duly authorised officer or agent of the corporation). The Directors reserve the right to be supplied with such evidence as they may require of the authority of any signatory on behalf of such subscriber, and to require such evidence or information as to any matters contained in the declaration, as they may think fit. The Directors will decline to register a share issue if such further evidence or information is not provided or given.

NATIONALITY DECLARATION FORM

PLEASE TYPE OR USE BLOCK CAPITALS

A. *I/We declare that none of the shares to be registered in my/our name(s) pursuant to the attached transfer are Foreign Interest Shares (as defined below).

OR

B. *I/We declare that the shares to be registered in my/our name(s) pursuant to the attached Conversion Notice are Foreign Interest Shares and that the following is/are the name(s), nationality(ies) and address(es) of the person(s) whose interests make them Foreign Interest Shares:

Forenames(s) (in full)			
Surname(s)			
Nationality(ies)			
Address(es)			

*Complete EITHER Declaration A OR Declaration B as appropriate and delete the other Declaration.

All joint applicant(s) must sign
A corporation must affix its seal

Signature(s) of applicant(s) named in the attached Conversion Notice

Dated _____, 20_____

For the purposes of the nationality declaration, a "Foreign Interest Share" means a share in which a "Relevant Person" has an "Interest". A person is deemed to have an "Interest" in relation to shares if (i) he has an interest in them which would (subject as provided below) be taken into account, or which he would be taken as having, in determining for the purposes of Part VI of the Companies Act 1985 whether a person has a notifiable interest; or (ii) he has any such interest as is referred to in section 209 (1) (a), (b) or (e) of that Act. He is not, however, deemed to have an Interest in any shares in which his spouse or any infant child or stepchild of his is interested by virtue of such relationship or which he holds as a bare or custodian trustee under the laws of England. In relation to Scotland, "infant" means under the age of 18 years and "bare or custodian trustee" means a simple trustee. "Interested" shall be construed accordingly.

- By way of example, but without in any way limiting the generality of the definition, a person will have an Interest in shares if:
- (a) a company is Interested in them and (i) that company or its directors are accustomed to act in accordance with his instructions or (ii) he can, directly or through another company, exercise or control the exercise of one-third or more of the voting power at general meetings of that company; or
 - (b) a trust of which he is a beneficiary is Interested in the shares; or
 - (c) he has entered into a contract to purchase the shares or is entitled to exercise or control the exercise of any rights attaching to the shares; or
 - (d) he is entitled or obliged to call for delivery of the shares or to acquire an Interest in the shares.

- "Relevant Person" means:
- (a) any individual who is not a British citizen;
 - (b) any body corporate other than a body corporate which is incorporated under the laws of any part of, and which has its principal place of business and central management and control in the United Kingdom;
 - (c) a government or governmental department, agency or body, otherwise than of the United Kingdom or any part thereof;
 - (d) any municipal, local, statutory or other authority or any undertaking or body formed or established in any country other than the United Kingdom; and
 - (e) any person who (i) falls within any of the foregoing paragraphs of this definition and (ii) would be taken to be Interested in any shares pursuant to the provisions of Section 203 of the Companies Act 1985 if a body corporate were Interested in those shares.

If you are in doubt as to how to complete the Declaration, or as to the definition of Foreign Interest Shares (referred to as Relevant Shares in the Articles of Association of BA), you should consult your solicitor or other professional adviser.

- Notes: (i) This Declaration should normally be made by the person(s) named in the accompanying Conversion Notice(s) as the subscriber(s). In the case of joint subscribers, ALL must sign. A corporation should either affix its seal or complete this form under the hand of a duly authorised official or agent, who should state his capacity.
- (ii) If the completion of the Declaration by the subscriber(s) would lead to undue delay, the Company will accept a declaration made by a stockbroker, bank manager or solicitor, or by any other person duly authorised by Power of Attorney, in every case acting as the agent of the subscriber(s). In such cases, however, the following declaration must also be made:

DECLARATION BY PROSPECTIVE SUBSCRIBER'S AGENT

I/We, being the person(s) making the Declaration set out above as agent(s) for the person(s) named as subscriber(s) in the accompanying Conversion Notice and whose name(s) is/are set out herein, represent and warrant that the person(s) on whose behalf the Declaration is made is/are known to me/us and that I/we am/are duly authorised to make the said Declaration on behalf of such person(s) and that, having made all such enquiries as I/we consider appropriate regarding the statements contained in such Declaration, such statements are correct to the best of my/our knowledge and belief.

Signature(s) _____ Dated _____ 20_____

If signed pursuant to authority granted by Power of Attorney, the Power of Attorney must be submitted with the form for noting.

If signed by a stockbroker, bank manager or solicitor, give the name and address of the person signing this form:

Full Name(s)

_____ Mr./Mrs./Miss.

(BLOCK CAPITALS PLEASE)

STAMP OF AGENT SUBMITTING THIS FORM

Address _____
