

JUNE 2018 – GROUP TRAFFIC AND CAPACITY STATISTICS

Group traffic in June, measured in Revenue Passenger Kilometres, increased by 9.1 per cent versus June 2017; Group capacity measured in Available Seat Kilometres rose by 5.4 per cent.

4 July 2018

STRATEGIC DEVELOPMENTS

On 28 June, IAG launched its new shorthaul low-cost Austrian subsidiary, branded as LEVEL, with flights from Vienna starting on July 17, 2018. The new subsidiary will have an Austrian Air Operator's Certificate (AOC) and will base four Airbus A321 aircraft in Vienna from where it will fly to 14 European destinations.

On 25 June, the UK Parliament approved the expansion of Heathrow airport. IAG issued a statement which reiterated that expansion should be undertaken in a cost effective way and that the Civil Aviation Authority (CAA), as regulator, must protect consumers by keeping airport charges flat.

In June, British Airways announced that its initiative to turn landfill waste into sustainable jet fuel secured almost £5 million of funding from the UK Government and industry backers. This project will be undertaken in partnership with Velocys and aims to cut greenhouse gas emissions from aircraft by up to 70 per cent and particulate emissions by 90 per cent.

On 26 June, Iberia took delivery of its first Airbus A350-900 which will operate its inaugural longhaul flight to New York in August. These aircraft feature 31 Business class full-flat seats, 24 Premium Economy and 293 Economy seats. Iberia will receive 15 more Airbus A350-900's by 2021.

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*This announcement contains inside information and is disclosed in accordance with the company's obligations under the Market Abuse Regulation (EU) No 596/2014.
Enrique Dupuy, Chief Financial Officer*

Forward-looking statements:

Certain statements included in this report are forward-looking and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements.





Forward-looking statements can typically be identified by the use of forward-looking terminology, such as "expects", "may", "will", "could", "should", "intends", "plans", "predicts", "envisages" or "anticipates" and include, without limitation, any projections relating to results of operations and financial conditions of International Consolidated Airlines Group S.A. and its subsidiary undertakings from time to time (the 'Group'), as well as plans and objectives for future operations, expected future revenues, financing plans, expected expenditures and divestments relating to the Group and discussions of the Group's Business plan. All forward-looking statements in this report are based upon information known to the Group on the date of this report. The Group 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 forward-looking statements in this report 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. Further information on the primary risks of the business and the risk management process of the Group is given in the Annual Report and Accounts 2016; these documents are available on www.iagshares.com.

Group Performance¹

	Month of June			Year to Date		
	2018	2017	Change	2018	2017	Change
Passengers Carried ('000s)	10,624	9,752	8.9%	52,731	48,806	8.0%
Domestic ²	2,465	2,288	7.7%	12,570	11,405	10.2%
Europe	5,873	5,358	9.6%	27,996	25,874	8.2%
North America	1,195	1,081	10.5%	5,643	5,291	6.6%
Latin America & Caribbean	440	401	9.7%	2,516	2,343	7.4%
Africa, Middle East & S,Asia	461	432	6.7%	2,904	2,774	4.7%
Asia Pacific	190	192	-1.0%	1,102	1,119	-1.5%
Revenue Passenger Km (m)	24,965	22,878	9.1%	127,371	119,157	6.9%
Domestic	1,709	1,552	10.1%	8,866	7,896	12.3%
Europe	7,168	6,445	11.2%	32,277	29,748	8.5%
North America	7,935	7,177	10.6%	37,607	35,042	7.3%
Latin America & Caribbean	3,801	3,450	10.2%	21,563	19,915	8.3%
Africa, Middle East & S,Asia	2,445	2,330	4.9%	15,971	15,312	4.3%
Asia Pacific	1,907	1,924	-0.9%	11,086	11,244	-1.4%
Available Seat Km (m)	28,579	27,127	5.4%	154,570	147,210	5.0%
Domestic	1,965	1,822	7.8%	10,630	9,760	8.9%
Europe	8,251	7,733	6.7%	39,355	37,236	5.7%
North America	8,790	8,222	6.9%	46,433	43,576	6.6%
Latin America & Caribbean	4,390	4,080	7.6%	25,175	23,924	5.2%
Africa, Middle East & S,Asia	3,029	3,042	-0.4%	19,732	19,363	1.9%
Asia Pacific	2,154	2,228	-3.3%	13,246	13,351	-0.8%
Passenger Load Factor (%)	87.4	84.3	+3.1 pts	82.4	80.9	+1.5 pts
Domestic	87.0	85.2	+1.8 pts	83.4	80.9	+2.5 pts
Europe	86.9	83.3	+3.6 pts	82.0	79.9	+2.1 pts
North America	90.3	87.3	+3.0 pts	81.0	80.4	+0.6 pts
Latin America & Caribbean	86.6	84.6	+2.0 pts	85.7	83.2	+2.5 pts
Africa, Middle East & S,Asia	80.7	76.6	+4.1 pts	80.9	79.1	+1.8 pts
Asia Pacific	88.5	86.4	+2.1 pts	83.7	84.2	-0.5 pts
Cargo Tonne Km (m)						
Cargo CTK	458	479	-4.3%	2,771	2,786	-0.5%

Performance by Airline

	Month of June			Year to Date		
	2018	2017	Change	2018	2017	Change
 Aer Lingus						
Revenue Passenger Km (m)	2,554	2,292	11.4%	10,462	9,586	9.1%
Available Seat Km (m)	2,867	2,636	8.8%	13,221	12,161	8.7%
Passenger load factor (%)	89.1	86.9	+2.2 pts	79.1	78.8	+0.3 pts
Cargo Tonne Km (m)	13	13	0.0%	78	77	1.3%
 BRITISH AIRWAYS ³						
Revenue Passenger Km (m)	13,741	12,854	6.9%	73,461	71,210	3.2%
Available Seat Km (m)	15,771	15,384	2.5%	90,325	88,705	1.8%
Passenger load factor (%)	87.1	83.6	+3.5 pts	81.3	80.3	+1.0 pts
Cargo Tonne Km (m)	354	378	-6.3%	2,154	2,198	-2.0%
 IBERIA						
Revenue Passenger Km (m)	5,469	4,905	11.5%	28,551	25,426	12.3%
Available Seat Km (m)	6,271	5,798	8.2%	33,340	30,697	8.6%
Passenger load factor (%)	87.2	84.6	+2.6 pts	85.6	82.8	+2.8 pts
Cargo Tonne Km (m)	92	88	4.5%	540	511	5.7%
 vueling						
Revenue Passenger Km (m)	3,152	2,827	11.5%	14,603	12,935	12.9%
Available Seat Km (m)	3,614	3,309	9.2%	17,315	15,647	10.7%
Passenger load factor (%)	87.2	85.4	+1.8 pts	84.3	82.7	+1.6 pts
Cargo Tonne Km (m)	0	0	n/a	0	0	n/a

¹ Group performance comprises Aer Lingus, British Airways, Iberia (including Iberia Express and LEVEL) and Vueling. Vueling traffic is accounted as non-premium traffic

² Domestic includes routes within UK, Spain, Ireland and Italy

³ British Airways figures exclude Openskies in 2018, but include Openskies in 2017