

## AUGUST 2013 - GROUP TRAFFIC AND CAPACITY STATISTICS

- In August 2013, Group traffic measured in Revenue Passenger Kilometres increased by 10.6 per cent versus August 2012 (down 0.2 per cent on a pro-forma basis); Group capacity measured in Available Seat Kilometres rose by 9.4 per cent (down 1.4 per cent on a pro-forma basis).
- Group premium traffic for the month of August increased by 2.4 per cent compared to the previous year, on falling capacity.
- Underlying market conditions remain unchanged from those described at the publication of Quarter Two results on 2 August.

4 September 2013

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## STRATEGIC DEVELOPMENTS

On August 14, IAG announced that it had secured firm orders and options for up to 220 Airbus A320 family shorthaul aircraft – up to 120 of these for its subsidiary Vueling. The order comprises 62 firm orders – 30 A320ceo and 32 A320neo – plus 58 options for Vueling. The firm orders will be delivered between 2015 and 2020, enabling the airline to replace some of its existing A320 fleet and expand its business. In addition, IAG secured 100 A320neo options which could be used for any of the airlines in the Group - British Airways, Iberia or Vueling - for aircraft replacement requirements.

On August 16, IAG announced that British Airways had exercised its option to redeem its convertible bond which was issued in 2009 to raise £350 million and was scheduled to mature in August 2014. Bondholders will be redeemed on 30 September, unless they decide to convert their bonds into ordinary shares by 23 September. The conversion price for bondholders is £1.89 per share. The maximum number of new shares which could be issued is 9.96 per cent of the current share capital and this will not affect IAG's target earning per ordinary share.

Certain information included in these statements 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 International Consolidated Airlines Group S.A. (the 'Group') plans and objectives for future operations, including, without limitation, discussions of the Group's Business Plan, expected future revenues, financing plans and expected expenditures and divestments. 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 Group'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. 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 2012; this document is available on [www.iagshares.com](http://www.iagshares.com).

**Group Performance<sup>1</sup>**
**Month of August**
**Year to Date**

	2013	2012	Change	Pro-forma <sup>2</sup>	2013	2012	Change	Pro-forma <sup>3</sup>
<b>Passengers Carried ('000s)</b>	<b>7,293</b>	<b>5,212</b>	<b>39.9%</b>	<b>2.8%</b>	<b>43,602</b>	<b>36,366</b>	<b>19.9%</b>	<b>1.7%</b>
Domestic (UK & Spain)	1,844	1,138	62.0%	-6.8%	10,352	7,914	30.8%	-5.8%
Europe	3,624	2,230	62.5%	11.2%	20,361	15,350	32.6%	8.7%
North America	837	840	-0.4%		5,793	5,728	1.1%	
Latin America & Caribbean	355	415	-14.5%		2,780	3,163	-12.1%	
Africa, Middle East & S.Asia	476	447	6.5%		3,219	3,180	1.2%	
Asia Pacific	157	142	10.6%		1,097	1,031	6.4%	
<b>Revenue Passenger Km (millions)</b>	<b>18,372</b>	<b>16,613</b>	<b>10.6%</b>	<b>-0.2%</b>	<b>122,639</b>	<b>118,105</b>	<b>3.8%</b>	<b>-1.2%</b>
Domestic (UK & Spain)	1,237	767	61.3%	-6.4%	6,626	5,038	31.5%	-6.8%
Europe	4,489	2,827	58.8%	11.2%	24,309	18,855	28.9%	6.8%
North America	5,620	5,622	0.0%		39,037	38,662	1.0%	
Latin America & Caribbean	2,970	3,452	-14.0%		23,327	26,408	-11.7%	
Africa, Middle East & S.Asia	2,509	2,525	-0.6%		18,405	18,736	-1.8%	
Asia Pacific	1,547	1,420	8.9%		10,935	10,406	5.1%	
<b>Available Seat Km (millions)</b>	<b>21,543</b>	<b>19,683</b>	<b>9.4%</b>	<b>-1.4%</b>	<b>151,529</b>	<b>146,719</b>	<b>3.3%</b>	<b>-1.9%</b>
Domestic (UK & Spain)	1,502	986	52.3%	-9.7%	8,816	6,677	32.0%	-5.2%
Europe	5,370	3,560	50.8%	7.1%	31,196	25,246	23.6%	3.1%
North America	6,310	6,275	0.6%		46,106	46,237	-0.3%	
Latin America & Caribbean	3,585	4,000	-10.4%		28,211	31,107	-9.3%	
Africa, Middle East & S.Asia	3,004	3,125	-3.9%		23,822	24,341	-2.1%	
Asia Pacific	1,772	1,737	2.0%		13,378	13,111	2.0%	
<b>Passenger Load Factor (%)</b>	<b>85.3</b>	<b>84.4</b>	<b>+0.9 pts</b>	<b>+1.1 pts</b>	<b>80.9</b>	<b>80.5</b>	<b>+0.4 pts</b>	<b>+0.5 pts</b>
Domestic (UK & Spain)	82.4	77.8	+4.6 pts	+3.0 pts	75.2	75.5	-0.3 pts	-1.3 pts
Europe	83.6	79.4	+4.2 pts	+3.1 pts	77.9	74.7	+3.2 pts	+2.6 pts
North America	89.1	89.6	-0.5 pts		84.7	83.6	+1.1 pts	
Latin America & Caribbean	82.8	86.3	-3.5 pts		82.7	84.9	-2.2 pts	
Africa, Middle East & S.Asia	83.5	80.8	+2.7 pts		77.3	77.0	+0.3 pts	
Asia Pacific	87.3	81.8	+5.5 pts		81.7	79.4	+2.3 pts	
<b>Cargo and Total Capacity (millions)</b>								
Cargo Tonne Km	459	495	-7.3%		3,683	4,016	-8.3%	
Total Revenue Tonne Km	2,001	2,084	-4.0%		14,678	15,264	-3.8%	
Available Tonne Km	2,665	2,747	-3.0%		20,146	20,709	-2.7%	
Overall Load Factor	75.1	75.9	-0.8 pts		72.9	73.7	-0.8 pts	

**Performance by Airline**
**Month of August**
**Year to Date**


	2013	2012	Change	Pro-forma	2013	2012	Change	Pro-forma
Revenue Passenger Km (millions)	2,282	0	n/a	27.5%	7,794	0	n/a	28.2%
Available Seat Km (millions)	2,632	0	n/a	21.6%	9,575	0	n/a	23.8%
Cargo Tonne Km (millions)	0	0	n/a		0	0	n/a	



Revenue Passenger Km (millions)	3,946	4,732	-16.6%		28,002	33,730	-17.0%	
Available Seat Km (millions)	4,851	5,613	-13.6%		35,355	40,720	-13.2%	
Cargo Tonne Km (millions)	74	88	-15.9%		648	769	-15.7%	



Revenue Passenger Km (millions)	12,144	11,881	2.2%		86,844	84,372	2.9%	
Available Seat Km (millions)	14,060	14,071	-0.1%		106,599	106,005	0.6%	
Cargo Tonne Km (millions)	385	407	-5.4%		3,035	3,247	-6.5%	

<sup>1</sup> Group performance comprises British Airways, Iberia (including Iberia Express) and Vueling. Year to Date 2013 includes Vueling from 26<sup>th</sup> April 2013. Vueling traffic is currently accounted as non-premium traffic.

<sup>2</sup> Monthly pro-forma includes Vueling in the baseline.

<sup>3</sup> For Year to Date pro-forma, Vueling data is only included from 26<sup>th</sup> April 2012/13.