

## **RELEVANT FACT**

### **IAG LIMIT ON NON-EU SHAREHOLDING**

On 11 February 2019, the share register of International Consolidated Airlines Group, S.A. (“**IAG**” or the “**Company**”) shows that ownership of the Company’s issued shares by Relevant Non-EU Persons has reached 47.5 per cent.

IAG’s Board has decided that, due to the level of share ownership by Relevant Non-EU Persons, it is necessary to specify a maximum aggregate number of Relevant Non-EU Shares under Article 11.8(b) of the Company’s bylaws (“**Permitted Maximum**”).

IAG confirms that the Permitted Maximum of Relevant Non-EU Shares shall be fixed at 47.5 per cent. There can be no assurance as to when, or if, the Permitted Maximum will be removed.

Under Article 11.8 of the Company’s bylaws, after the publication of this announcement no acquisitions of shares by Relevant Non-EU Persons may take place. The Board confirms that it will not issue any certificate to Relevant Non-EU Persons that would make such acquisitions effective under the Company’s bylaws.

Accordingly, any shares acquired by a Relevant Non-EU Person after the publication of this announcement will be treated by the Board as Affected Shares and the Board shall give an Affected Share Notice to any such Relevant Non-EU Person purchaser.

Any Affected Share Notice will specify that: (i) the voting rights and other political rights (including, but not limited to, the right to attend and speak at shareholders’ meetings) attaching to such shares shall be suspended; and (ii) the Relevant Non-EU Person on whom the Affected Share Notice is served shall be required to dispose of the relevant shares within ten (10) Business Days of receipt of such notice so that no Relevant Non-EU Person holds, directly or indirectly, or has an interest in such shares. In the event the Board is not satisfied that the relevant shares have been sold in such a manner within the ten (10) Business Day period, the Board may cause the Company to acquire such shares using the valuation formula described in the appendix to this announcement.

IAG confirms that Relevant UK Persons are not and will not be treated as Relevant Non-EU Persons and, therefore, are not and will not be subject to the restrictions on share acquisitions set out in this announcement, unless IAG notifies shareholders otherwise. IAG has no plans to issue such a notification.

In accordance with Article 11.8 of the Company’s bylaws, a summary of the provisions in the Company’s bylaws which apply to Affected Shares is provided in the appendix to this announcement.

For all enquiries relating to the Affected Shares, please contact [investor.relations@iairgroup.com](mailto:investor.relations@iairgroup.com)

Enrique Dupuy de Lôme  
Chief Financial Officer

11 February 2019

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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.*

Unless otherwise defined, terms used in this announcement shall have the meaning given to them in the Company's bylaws. The definitions of EU National, Member State, Relevant Non-EU Person, Relevant Non-EU Share, Relevant UK Person and United Kingdom National, extracted from the Company's bylaws, are set out below:

**"EU National"** means any national of a Member State.

**"Member State"** means any state that from time to time is, or is deemed to be, a Member State for the purposes of Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008, on common rules for the operation of air services in the Community (as amended or readopted), including (for the avoidance of doubt) any state that is from time to time a member state of the European Community and/or the European Economic Area.

Note: as at the date of this announcement, each of the following states is, or is deemed to be, a Member State for the purposes of Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008: Austria; Belgium; Bulgaria; Croatia; Cyprus; Czech Republic; Denmark; Estonia; Finland; France; Germany; Greece; Hungary; Iceland; Ireland; Italy; Latvia; Liechtenstein; Lithuania; Luxembourg; Malta; Netherlands; Norway; Poland; Portugal; Romania; Slovakia; Slovenia; Spain; Sweden; Switzerland; and the United Kingdom.

**"Relevant Non-EU Person"** means:

- (i) any individual who is not an EU National;
- (ii) any legal person who is incorporated or established under the laws of any part of, and which has its principal place of business and central management and control in, or is otherwise resident in, a country other than a Member State;
- (iii) a government or governmental department, agency or body, otherwise than of a Member State or any part thereof; and/or
- (iv) any municipal, local, statutory or other authority or any undertaking or body formed or established in any country other than a Member State.

**"Relevant Non-EU Share"** means any share (other than a share particulars of which are removed by the Company from the Separate Non-EU Register pursuant to Article 11.6), held by a Relevant Non-EU Person or by a Depositary for the benefit of a Relevant Non-EU Person or in which a Relevant Non-EU Person has an interest or which is declared by the Company to be a Relevant Non-EU Share pursuant to Article 11.5.

**"Relevant UK Person"** means:

- (i) any individual who is a United Kingdom National;
- (ii) any legal person who is incorporated or established under the laws of any part of and which has its principal place of business and central management and control in, or is otherwise resident in, the United Kingdom;
- (iii) a government or governmental department, agency or body of the United Kingdom; and/or
- (iv) any municipal, local, statutory or other authority or any undertaking or body formed or established in the United Kingdom.

**"United Kingdom National"** has the meaning ascribed thereto in section 105(1) of the United Kingdom Civil Aviation Act 1982 (as amended).

## **APPENDIX**

### **Summary of the provisions in the Company's bylaws which apply to Affected Shares**

- The Board shall give an Affected Share Notice to the registered holder of any share which it determines to deal with as an Affected Share and/or to any other person with a confirmed or apparent interest in that share.
- The registered holder of a share in respect of which an Affected Share Notice has been served may make representations to the Board as to why such share should not be treated as an Affected Share and if, after considering such representations and such other information as seems to them relevant, the Board considers that the share should not be treated as an Affected Share, it shall forthwith withdraw the Affected Share Notice served in respect of such share.
- If the Board decides to serve an Affected Share Notice and to deal with certain shares as Affected Shares pursuant to the provisions of article 11 of the Company's bylaws, the Board may agree on the suspension of the voting rights and other political rights (including, but not limited to, the right to attend and speak at Shareholders' Meetings) corresponding to such Affected Shares in respect of which an Affected Share Notice has been served.
- Additionally, if the Board decides to serve an Affected Share Notice and to deal with certain shares as Affected Shares pursuant to the provisions of Article 11, the persons on whom an Affected Share Notice has been served shall, within ten (10) Business Days of receiving such Affected Share Notice (or such longer period as may in such notice be prescribed by the Board), make an Affected Share Disposal so that no Relevant Non-EU Person holds, directly or indirectly, or has an interest in that share and, upon such Affected Share Disposal being made to the satisfaction of the Board, such Affected Share shall cease to be a Relevant Non-EU Share.
- If, after ten (10) Business Days from the date of service on the registered holder of an Affected Share of an Affected Share Notice (or such longer period as the Board may have prescribed), the Board is not satisfied that an Affected Share Disposal has been made of the Affected Share the subject thereof, the Board may cause the Company to acquire the Affected Share (for its subsequent redemption, if applicable), in accordance with applicable law, acquiring the Affected Share at the lower price between: (a) the book value of the Affected Share according to the latest published audited balance sheet of the Company and (b) the middle market quotation for an ordinary share of the Company as derived from the London Stock Exchange's Daily Official List for the business day on which the acquisition of such Affected Share by the Relevant Non-EU Person took place.