

## JUNE 2013 - GROUP TRAFFIC AND CAPACITY STATISTICS

- In June 2013, Group traffic measured in Revenue Passenger Kilometres increased by 8.2 per cent versus June 2012 (up 0.1 per cent on a pro-forma basis); Group capacity measured in Available Seat Kilometres rose by 7.4 per cent (down 1.5 per cent on a pro-forma basis).
- Group premium traffic for the month of June increased by 1.9 per cent compared to the previous year.
- Underlying market conditions remain unchanged from those described at the publication of Quarter One results on 10th May.

3 July 2013

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## STRATEGIC DEVELOPMENTS

On 26 June, IAG announced the successful launch by British Airways of a \$927 million publicly-traded bond, using aircraft as collateral. These bonds are known as EETCs (Enhanced Equipment Trust Certificates) and are a form of aircraft financing commonly used by US airlines. The transaction included Class A and Class B Certificates, with an annual coupon of 4.625% and 5.625%, respectively. The underlying collateral pool is made up of six new B787-8 aircraft, two new B777-300 ER aircraft and six new A320-200 aircraft, due for delivery within the next 12 months. This is the first time that British Airways has used EETCs and the first time this form of financing has been used in the UK.

On 27 June, Vueling Airlines, of which IAG owns 90.51 per cent, agreed at a general shareholders meeting to delist the remaining 9.49 per cent of shares from the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges.

British Airways has received the first two of its 24 strong order of Boeing 787 Dreamliners. The two aircraft will begin commercial long-haul flying later this year with services to Toronto due to start from September 1 and Newark from October 1, subject to regulatory approval.

In June, Iberia began its seasonal operations to Dubrovnik and Zagreb in Croatia until mid September. The airline offers up to four services per week to Dubrovnik and two flights per week to Zagreb.

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 the Company's plans and objectives for future operations, including, without limitation, discussions of the Company'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 Company on the date of this report. The Company 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 Company'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 to the Company and its risk management process 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 June

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>6,531</b>	<b>5,048</b>	<b>29.4%</b>	<b>1.1%</b>	<b>28,858</b>	<b>25,721</b>	<b>12.2%</b>	<b>1.6%</b>
Domestic (UK & Spain)	1,695	1,160	46.1%	-8.9%	6,482	5,534	17.1%	-5.5%
Europe	3,094	2,142	44.4%	8.9%	13,082	10,798	21.2%	7.8%
North America	845	802	5.4%		4,127	4,057	1.7%	
Latin America & Caribbean	341	388	-12.1%		2,064	2,317	-10.9%	
Africa, Middle East & S.Asia	410	421	-2.6%		2,319	2,270	2.2%	
Asia Pacific	146	135	8.1%		784	745	5.2%	
<b>Revenue Passenger Km (millions)</b>	<b>17,078</b>	<b>15,777</b>	<b>8.2%</b>	<b>0.1%</b>	<b>85,975</b>	<b>84,555</b>	<b>1.7%</b>	<b>-1.2%</b>
Domestic (UK & Spain)	1,094	714	53.2%	-7.9%	4,064	3,473	17.0%	-7.3%
Europe	3,744	2,675	40.0%	7.9%	15,339	13,103	17.1%	5.0%
North America	5,658	5,397	4.8%		27,841	27,468	1.4%	
Latin America & Caribbean	2,892	3,254	-11.1%		17,311	19,368	-10.6%	
Africa, Middle East & S.Asia	2,245	2,382	-5.8%		13,573	13,605	-0.2%	
Asia Pacific	1,445	1,355	6.6%		7,847	7,538	4.1%	
<b>Available Seat Km (millions)</b>	<b>20,173</b>	<b>18,782</b>	<b>7.4%</b>	<b>-1.5%</b>	<b>108,243</b>	<b>107,267</b>	<b>0.9%</b>	<b>-2.1%</b>
Domestic (UK & Spain)	1,377	927	48.5%	-10.3%	5,666	4,692	20.8%	-3.6%
Europe	4,653	3,390	37.3%	4.2%	20,381	18,104	12.6%	1.1%
North America	6,202	6,000	3.4%		33,471	33,672	-0.6%	
Latin America & Caribbean	3,426	3,799	-9.8%		21,012	23,063	-8.9%	
Africa, Middle East & S.Asia	2,844	3,011	-5.5%		17,850	18,054	-1.1%	
Asia Pacific	1,671	1,655	1.0%		9,863	9,682	1.9%	
<b>Passenger Load Factor (%)</b>	<b>84.7</b>	<b>84.0</b>	<b>+0.7 pts</b>	<b>+1.4 pts</b>	<b>79.4</b>	<b>78.8</b>	<b>+0.6 pts</b>	<b>+0.7 pts</b>
Domestic (UK & Spain)	79.4	77.0	+2.4 pts	+2.0 pts	71.7	74.0	-2.3 pts	-2.9 pts
Europe	80.5	78.9	+1.6 pts	+2.8 pts	75.3	72.4	+2.9 pts	+2.8 pts
North America	91.2	90.0	+1.2 pts		83.2	81.6	+1.6 pts	
Latin America & Caribbean	84.4	85.7	-1.3 pts		82.4	84.0	-1.6 pts	
Africa, Middle East & S.Asia	78.9	79.1	-0.2 pts		76.0	75.4	+0.6 pts	
Asia Pacific	86.5	81.9	+4.6 pts		79.6	77.9	+1.7 pts	
<b>Cargo and Total Capacity (millions)</b>								
Cargo Tonne Km	463	507	-8.7%		2,756	3,009	-8.4%	
Total Revenue Tonne Km	1,932	2,010	-3.9%		10,686	11,054	-3.3%	
Available Tonne Km	2,548	2,642	-3.6%		14,809	15,200	-2.6%	
Overall Load Factor	75.8	76.1	-0.3 pts		72.2	72.7	-0.5 pts	

**Performance by Airline**

Month of June

Year to Date



	2013	2012	Change	Pro-forma	2013	2012	Change	Pro-forma
Revenue Passenger Km (millions)	1,701	0	n/a	31.8%	3,204	0	n/a	30.2%
Available Seat Km (millions)	2,139	0	n/a	25.2%	4,111	0	n/a	25.2%
Cargo Tonne Km (millions)	0	0	n/a		0	0	n/a	



Revenue Passenger Km (millions)	3,667	4,471	-18.0%		20,065	24,055	-16.6%	
Available Seat Km (millions)	4,472	5,241	-14.7%		25,620	29,432	-13.0%	
Cargo Tonne Km (millions)	80	90	-11.1%		497	589	-15.6%	



Revenue Passenger Km (millions)	11,710	11,306	3.6%		62,707	60,499	3.6%	
Available Seat Km (millions)	13,562	13,542	0.1%		78,512	77,839	0.9%	
Cargo Tonne Km (millions)	383	417	-8.2%		2,259	2,420	-6.7%	

<sup>1</sup> Group performance comprises British Airways, Iberia (including Iberia Express) and Vueling. Year to Date 2013 includes Vueling from May 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 May 2012/13.