IAG INTERNATIONAL AIRLINES GROUP

JANUARY 2013 - GROUP TRAFFIC AND CAPACITY STATISTICS

- In January 2013, Group traffic measured in Revenue Passenger Kilometres rose by 0.7 per cent versus January 2012; Group capacity measured in Available Seat Kilometres was down 1.0 per cent.
- Group premium traffic for the month of January grew by 2.7 per cent compared to the previous year, with a 0.3 per cent growth in non-premium traffic.
- Underlying market conditions remain unchanged from those described at IAG Capital Markets Day on 9th November. There is continued firmness in trends at British Airways and weakness in Spanish markets as in the previous months.

February 5th, 2013

STRATEGIC DEVELOPMENTS

On February 1st, IAG confirmed that no agreement had been reached between Iberia and its trade unions over the airline's transformation plan. Iberia will press ahead with the previously announced capacity reduction of 15 per cent for 2013. IAG will also move forward on alternative plans to return Iberia to break-even, in terms of operating cash flow, by the second half of this year and restore Iberia to an acceptable level of profitability by 2015.

On January 31st, Malaysia Airlines joined **one**world alliance adding one of Asia's leading airlines to the group. Malaysia Airlines, which serves more than 60 destinations in almost 30 countries, will substantially expand the alliance's network in one of the world's fastest growing economic powerhouses, South East Asia.

Iberia unveiled its new long haul business and economy class cabins at the Fitur travel fair in Madrid. The new product will be introduced with the first of the new Airbus A330-300 being delivered in February.

Group Performance

	Month of January		
	2013	2012	Change
Passengers Carried ('000s)	**3,790**	**3,600**	**5.3%**
Domestic (UK & Spain)	754	676	11.5%
Europe	1,535	1,437	6.8%
North America	581	572	1.6%
Latin America & Caribbean	384	411	-6.6%
Africa, Middle East & S.Asia	408	383	6.5%
Asia Pacific	128	121	5.8%
Revenue Passenger Km (millions)	**13,182**	**13,093**	**0.7%**
Domestic (UK & Spain)	455	426	6.8%
Europe	1,785	1,692	5.5%
North America	3,944	3,899	1.2%
Latin America & Caribbean	3,206	3,440	-6.8%
Africa, Middle East & S.Asia	2,495	2,392	4.3%
Asia Pacific	1,297	1,244	4.3%
Available Seat Km (millions)	**17,122**	**17,303**	**-1.0%**
Domestic (UK & Spain)	717	632	13.4%
Europe	2,681	2,679	0.1%
North America	5,121	5,184	-1.2%
Latin America & Caribbean	3,776	4,007	-5.8%
Africa, Middle East & S.Asia	3,194	3,207	-0.4%
Asia Pacific	1,633	1,594	2.4%
Passenger Load Factor (%)	**77.0**	**75.7**	**+1.3 pts**
Domestic (UK & Spain)	63.5	67.4	-3.9 pts
Europe	66.6	63.2	+3.4 pts
North America	77.0	75.2	+1.8 pts
Latin America & Caribbean	84.9	85.8	-0.9 pts
Africa, Middle East & S.Asia	78.1	74.6	+3.5 pts
Asia Pacific	79.4	78.0	+1.4 pts
Cargo and Total Capacity (millions)			
Cargo Tonne Km	431	467	-7.7%
Total Revenue Tonne Km	1,708	1,726	-1.0%
Available Tonne Km	2,453	2,470	-0.7%
Overall Load Factor	69.6	69.9	-0.3 pts

Performance by Airline

Month of January

IBERIA	2013	2012	Change
Revenue Passenger Km (millions)	3,380	3,770	-10.3%
Available Seat Km (millions)	4,324	4,664	-7.3%
Cargo Tonne Km (millions)	83	100	-17.0%

BRITISH AIRWAYS	2013	2012	Change
Revenue Passenger Km (millions)	9,803	9,323	5.1%
Available Seat Km (millions)	12,798	12,639	1.3%
Cargo Tonne Km (millions)	348	367	-5.2%