

International Consolidated Airlines Group, S.A. ("**IAG**" or the "**Issuer**"), pursuant to article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council on Market Abuse and article 226 of the Restated Text of the Spanish Securities Market Act approved by Royal Legislative Decree 4/2015, of 23 October and related provisions, hereby communicates the following privileged information:

RELEVANT EVENT

SETTLEMENT OF BONDS

Following the relevant events numbers 279695 and 279729 regarding the launch by IAG of the issue (the "**Issue**") of two tranches of senior unsecured bonds for an aggregate principal amount of EUR 1 billion (the "**Bonds**"), it is hereby announced that on the date hereof, being the closing date of the Issue, the Bonds have been issued, fully subscribed and settled.

An application has been made for the Bonds to be admitted to trading on the regulated market of the Irish Stock Exchange - Euronext Dublin.

BNP Paribas and J.P. Morgan Securities plc acted as Joint Global Co-ordinators and, together with Merrill Lynch International, as Joint Lead Bookrunners. Banco Santander, S.A. and Credit Agricole Corporate and Investment Bank acted as Passive Bookrunners. Banco Bilbao Vizcaya Argentaria, S.A., Barclays Bank plc, Deutsche Bank AG, London Branch, HSBC Bank plc, NatWest Markets plc and Standard Chartered Bank acted as Co-Lead Managers.

Ends

Madrid, 4 July 2019

IMPORTANT NOTICE

This announcement is directed exclusively at market professionals and institutional investors, is for information purposes only and is not to be relied upon in substitution for the exercise of independent judgement. It is not intended as investment advice and under no circumstances is it to be used or considered as an offer to sell, or a solicitation of an offer to buy, any security nor is it a recommendation to buy or sell any security. Any decision to purchase any of the securities should only be made on the basis of an independent review by you of the Issuer's publicly available information and based upon the final terms and conditions in respect of the Bonds. None of the Joint Lead Bookrunners, the Passive Bookrunners, the Joint Global Coordinators or the Co-Lead Managers (together, the "**Managers**") nor any of their respective affiliates accepts any liability arising from the use of, or makes any representation as to the accuracy or completeness of, this announcement, the final terms and conditions or the Issuer's publicly available information.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement and any offer when made are only addressed to and directed, in member states of the European Economic Area, at persons who are "qualified investors" within the meaning of Article 2(1)(e) of Directive 2003/71/EC, as amended (the "**Prospectus Directive**") ("**qualified investors**"). Each person who initially acquires any securities or to whom any offer of securities may be made will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive.

In addition, in the United Kingdom, this document is being distributed only to, and is directed only at, sophisticated investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") and qualified investors falling within Article 49(2)(a) to (d) of the Order, and (ii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). This announcement must not be acted on or relied on (i) in the United Kingdom, by persons who are not relevant persons, and (ii) in any Member State of the European Economic Area other than the United Kingdom, by persons who are not qualified investors. Any investment or investment activity to which this communication relates is available only to qualified investors in the EEA (other than the United Kingdom) and relevant persons in the United Kingdom and will be engaged in only with relevant persons.

This announcement or electronic transmission hereof does not constitute or form part of an offer to sell securities or the solicitation of any offer to subscribe for or otherwise buy any securities to any person in the United States or in any jurisdiction to whom or in which such offer or solicitation is unlawful.

Each of the Managers is acting on behalf of the Issuer and no one else in connection with the offering of the Bonds and will not be responsible to any other person for providing the protections afforded to clients of such Managers or for providing advice in relation to the Bonds or any transaction, matter or arrangement referred to in this announcement.

In connection with the offering of the Bonds, the Managers and any of their affiliates, acting as investors for their own accounts or for the accounts of others, may subscribe for or purchase bonds and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts or for the accounts of others in such bonds and any other securities of the Issuer or related investments in connection with the Bonds, the Issuer or otherwise. Accordingly, references to the Bonds being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Managers and any of their respective affiliates acting as investors for their own accounts. The Managers do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.