

## **RELEVANT FACT**

### **SECURED BOND LAUNCHED**

International Airlines Group's wholly owned subsidiary British Airways today (July 9, 2012) announces proposals to issue a sterling secured bond.

The final terms and timing of the issuance will be based on investor feedback and market conditions following an investor roadshow.

Bond holders will have the benefit of security over the shares and assets of a wholly owned subsidiary of British Airways called British Airways (BA) Limited. The assets include up to 31 daily slot pairs at London Heathrow airport.

British Airways (BA) Limited has been established as the licenced operator of scheduled services between London City airport and New York JFK airport. It has entered into a joint operation with British Airways with respect to sales, booking, ticketing and slots at London City and London Heathrow airports.

It is proposed that the bonds will be issued through a special purpose entity incorporated for this purpose.

*July 9, 2012*

Enrique Dupuy de Lome  
Chief Financial Officer

## Further information

Application is proposed to be made to the Financial Services Authority in its capacity as competent authority under the Financial Services and Markets Act 2000 as amended for the bonds to be admitted to its official list and to the London Stock Exchange plc for the bonds to be admitted to trading on its main market.

The airline has appointed BNP Paribas as sole arranger and bookrunner for the transaction HSBC have been appointed liquidity line provider and co-lead manager.

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## FSA/ICMA stabilisation

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 of the business and the risk management process of the group is given in the Annual Report and Accounts 2011; this document is available on [www.iagshares.com](http://www.iagshares.com).