

## MAY 2013 - GROUP TRAFFIC AND CAPACITY STATISTICS

- In May 2013, Group traffic measured in Revenue Passenger Kilometres increased by 7.4 per cent versus May 2012 (down 0.3 per cent on a pro-forma basis); Group capacity measured in Available Seat Kilometres rose by 6.3 per cent (down 1.8 per cent on a pro-forma basis).
- Group premium traffic for the month of May decreased by 2.9 per cent compared to the previous year, but traffic and load factor were affected by an earlier UK half term and an additional bank holiday compared to last year.
- Underlying market conditions remain unchanged from those described at the publication of Quarter One results on 10th May.

June 5<sup>th</sup>, 2013

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## STRATEGIC DEVELOPMENTS

On May 14th, IAG successfully raised €390 million in a senior unsecured convertible bond. The bonds were issued to fund its acquisition of Vueling, enhance liquidity and lower its cost of capital. They will accrue a fixed rate of interest of 1.75 per cent per annum, payable semi-annually in arrears. The conversion price of €4.25 represents a premium of approximately 35 per cent over the volume weighted average price of ordinary IAG shares on the London Stock Exchange from launch to pricing.

On May 24th, IAG's subsidiary Vueling called a general shareholders' meeting for June 27, 2013 to approve the delisting of Vueling's shares from the Spanish stock exchanges. The delisting tender offer will be €9.25 per share. Vueling will be delisted from the Barcelona, Bilbao, Madrid and Valencia stock exchanges upon successful completion of the offer. Since April 26th 2013, IAG Group has owned 90.51 per cent of Vueling.

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 May				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>6,184</b>	<b>4,807</b>	<b>28.6%</b>	<b>1.7%</b>	<b>22,327</b>	<b>20,673</b>	<b>8.0%</b>	<b>1.7%</b>
Domestic (UK & Spain)	1,601	1,097	45.9%	-7.1%	4,787	4,374	9.4%	-4.3%
Europe	2,939	2,053	43.2%	9.2%	9,988	8,656	15.4%	7.5%
North America	814	779	4.5%		3,282	3,255	0.8%	
Latin America & Caribbean	327	376	-13.0%		1,723	1,929	-10.7%	
Africa, Middle East & S.Asia	375	382	-1.8%		1,909	1,849	3.2%	
Asia Pacific	128	120	6.7%		638	610	4.6%	
<b>Revenue Passenger Km (millions)</b>	<b>16,117</b>	<b>15,000</b>	<b>7.4%</b>	<b>-0.3%</b>	<b>68,897</b>	<b>68,778</b>	<b>0.2%</b>	<b>-1.5%</b>
Domestic (UK & Spain)	1,049	674	55.6%	-5.6%	2,970	2,759	7.6%	-7.1%
Europe	3,476	2,517	38.1%	7.6%	11,595	10,428	11.2%	4.1%
North America	5,452	5,269	3.5%		22,183	22,071	0.5%	
Latin America & Caribbean	2,761	3,132	-11.8%		14,419	16,114	-10.5%	
Africa, Middle East & S.Asia	2,106	2,203	-4.4%		11,328	11,223	0.9%	
Asia Pacific	1,273	1,205	5.6%		6,402	6,183	3.5%	
<b>Available Seat Km (millions)</b>	<b>20,280</b>	<b>19,087</b>	<b>6.3%</b>	<b>-1.8%</b>	<b>88,070</b>	<b>88,485</b>	<b>-0.5%</b>	<b>-2.2%</b>
Domestic (UK & Spain)	1,380	921	49.8%	-7.8%	4,289	3,765	13.9%	-1.2%
Europe	4,523	3,388	33.5%	3.6%	15,728	14,714	6.9%	0.2%
North America	6,319	6,196	2.0%		27,269	27,672	-1.5%	
Latin America & Caribbean	3,476	3,857	-9.9%		17,586	19,264	-8.7%	
Africa, Middle East & S.Asia	2,913	3,050	-4.5%		15,006	15,043	-0.2%	
Asia Pacific	1,669	1,675	-0.4%		8,192	8,027	2.1%	
<b>Passenger Load Factor (%)</b>	<b>79.5</b>	<b>78.6</b>	<b>+0.9 pts</b>	<b>+1.2 pts</b>	<b>78.2</b>	<b>77.7</b>	<b>+0.5 pts</b>	<b>+0.5 pts</b>
Domestic (UK & Spain)	76.0	73.2	+2.8 pts	+1.7 pts	69.2	73.3	-4.1 pts	-4.4 pts
Europe	76.9	74.3	+2.6 pts	+2.9 pts	73.7	70.9	+2.8 pts	+2.7 pts
North America	86.3	85.0	+1.3 pts		81.3	79.8	+1.5 pts	
Latin America & Caribbean	79.4	81.2	-1.8 pts		82.0	83.6	-1.6 pts	
Africa, Middle East & S.Asia	72.3	72.2	+0.1 pts		75.5	74.6	+0.9 pts	
Asia Pacific	76.3	71.9	+4.4 pts		78.1	77.0	+1.1 pts	
<b>Cargo and Total Capacity (millions)</b>								
Cargo Tonne Km	461	517	-10.8%		2,293	2,502	-8.4%	
Total Revenue Tonne Km	1,856	1,946	-4.6%		8,754	9,044	-3.2%	
Available Tonne Km	2,577	2,683	-4.0%		12,261	12,558	-2.4%	
Overall Load Factor	72.0	72.5	-0.5 pts		71.4	72.0	-0.6 pts	

## Performance by Airline



	Month of May				Year to Date			
	2013	2012	Change	Pro-forma	2013	2012	Change	Pro-forma
Revenue Passenger Km (millions)	1,503	0	n/a	28.6%	1,503	0	n/a	28.6%
Available Seat Km (millions)	1,972	0	n/a	25.2%	1,972	0	n/a	25.2%
Cargo Tonne Km (millions)	0	0	n/a		0	0	n/a	



Revenue Passenger Km (millions)	3,470	4,146	-16.3%		16,398	19,584	-16.3%	
Available Seat Km (millions)	4,480	5,162	-13.2%		21,148	24,191	-12.6%	
Cargo Tonne Km (millions)	85	93	-8.6%		417	499	-16.4%	



Revenue Passenger Km (millions)	11,144	10,853	2.7%		50,997	49,193	3.7%	
Available Seat Km (millions)	13,828	13,925	-0.7%		64,950	64,297	1.0%	
Cargo Tonne Km (millions)	376	424	-11.3%		1,876	2,003	-6.3%	

<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.