

AUGUST 2016 - GROUP TRAFFIC AND CAPACITY STATISTICS

- Group traffic in August, measured in Revenue Passenger Kilometres, increased by 7.9 per cent versus August 2015 (up 2.7 per cent on a pro-forma basis); Group capacity measured in Available Seat Kilometres rose by 9.0 per cent (up 3.9 per cent on a pro-forma basis).
- Group premium traffic for the month of August increased by 3.4 per cent on a pro-forma basis.

5 September 2016

STRATEGIC DEVELOPMENTS

On 16 August, Japan's Ministry of Land, Infrastructure, Transport and Tourism granted an extension of anti-trust immunity to enable Iberia to join the existing joint business between Japan Airlines, British Airways and Finnair. This will allow the four airlines to cooperate commercially on flights between Europe and Japan. Iberia is expected to join from October 18, 2016 when it will start its non-stop services between Madrid and Tokyo.

On 17 August, Vueling and Qatar Airways launched a codeshare agreement which allows seamless connectivity via the airlines' common gateways of Barcelona El Prat and Rome Fiumicino. The agreement links Vueling's European network with Qatar Airways' global network of more than 150 destinations. This codeshare agreement builds upon the interline agreement signed between the two carriers in October 2014.

On 19 August, British Airways announced a codeshare agreement with Shanghai-based carrier, China Eastern Airlines. British Airways will gain access to the domestic Chinese market as it will start selling flights to Kunming, Xi'an, Nanjing, Hangzhou and Chongqing on a BA flight code. China Eastern Airlines will sell British Airways flights to Aberdeen, Belfast City, Edinburgh, Glasgow, Leeds Bradford, Manchester and Newcastle on their MU flight code.

This announcement contains inside information and is disclosed in accordance with the company's obligations under the Market Abuse Regulation (EU) No 596/2014.

Enrique Dupuy, Chief Financial Officer, (responsible for arranging the release of this announcement).

Forward-looking statements:

Certain statements included in this report are forward-looking and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements.





Forward-looking statements can typically be identified by the use of forward-looking terminology, such as "expects", "June", "will", "could", "should", "intends", "plans", "predicts", "envisages" or "anticipates" and include, without limitation, any projections relating to results of operations and financial conditions of International Consolidated Airlines Group S.A. and its subsidiary undertakings from time to time (the "Group"), as well as plans and objectives for future operations, expected future revenues, financing plans, expected expenditures and divestments relating to the Group and discussions of the Group's Business plan. All forward-looking statements in this report are based upon information known to the Group on the date of this report. The Group 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 forward-looking statements in this report 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 2015; these documents are available on www.iagshares.com.

Group Performance¹

	Month of August				Year to Date			
	2016	2015 ⁵	Change	Pro-forma ²	2016	2015 ⁵	Change	Pro-forma ³
Passengers Carried ('000s)	10,572	9,621	9.9%	3.1%	67,893	57,088	18.9%	7.0%
Domestic ⁴	2,208	2,188	0.9%	-0.1%	15,202	14,108	7.8%	5.8%
Europe	6,122	5,296	15.6%	5.4%	37,118	28,668	29.5%	9.6%
North America	1,067	965	10.6%	0.6%	7,248	6,195	17.0%	2.1%
Latin America & Caribbean	438	425	3.1%		3,192	3,085	3.5%	
Africa, Middle East & S,Asia	534	554	-3.6%		3,668	3,708	-1.1%	
Asia Pacific	203	193	5.2%		1,465	1,324	10.6%	
Revenue Passenger Km (m)	24,480	22,691	7.9%	2.7%	163,346	144,796	12.8%	4.9%
Domestic	1,574	1,541	2.1%	1.4%	10,523	9,457	11.3%	9.6%
Europe	7,520	6,555	14.7%	4.9%	43,767	34,209	27.9%	9.6%
North America	7,038	6,414	9.7%	1.4%	48,005	41,779	14.9%	2.7%
Latin America & Caribbean	3,660	3,523	3.9%		26,705	26,009	2.7%	
Africa, Middle East & S,Asia	2,671	2,743	-2.6%		19,765	20,221	-2.3%	
Asia Pacific	2,017	1,915	5.3%		14,581	13,121	11.1%	
Available Seat Km (m)	28,509	26,162	9.0%	3.9%	199,741	178,170	12.1%	4.3%
Domestic	1,859	1,854	0.3%	-0.5%	13,069	12,221	6.9%	5.1%
Europe	8,825	7,669	15.1%	5.6%	54,645	43,268	26.3%	8.1%
North America	8,097	7,158	13.1%	4.9%	57,749	50,038	15.4%	3.3%
Latin America & Caribbean	4,259	4,107	3.7%		31,987	31,171	2.6%	
Africa, Middle East & S,Asia	3,131	3,244	-3.5%		24,715	25,811	-4.2%	
Asia Pacific	2,338	2,130	9.8%		17,576	15,661	12.2%	
Passenger Load Factor (%)	85.9	86.7	-0.8 pts	-1.0 pts	81.8	81.3	+0.5 pts	+0.5 pts
Domestic	84.7	83.1	+1.6 pts	+1.6 pts	80.5	77.4	+3.1 pts	+3.3 pts
Europe	85.2	85.5	-0.3 pts	-0.5 pts	80.1	79.1	+1.0 pts	+1.0 pts
North America	86.9	89.6	-2.7 pts	-3.1 pts	83.1	83.5	-0.4 pts	-0.5 pts
Latin America & Caribbean	85.9	85.8	+0.1 pts		83.5	83.4	+0.1 pts	
Africa, Middle East & S,Asia	85.3	84.6	+0.7 pts		80.0	78.3	+1.7 pts	
Asia Pacific	86.3	89.9	-3.6 pts		83.0	83.8	-0.8 pts	
Cargo Tonne Km (m)								
Cargo CTK	437	423	3.3%	1.6%	3,538	3,452	2.5%	-0.2%

Performance by Airline

	Month of August				Year to Date			
	2016	2015 ⁵	Change	Pro-forma	2016	2015 ⁵	Change	Pro-forma
								
Revenue Passenger Km (m)	3,540	3,418	3.6%		19,162	16,768	14.3%	
Available Seat Km (m)	4,051	3,921	3.3%		23,047	20,729	11.2%	
Cargo Tonne Km (m)	0	0	n/a		0	0	n/a	
								
Revenue Passenger Km (m)	2,156	921	n/a	3.9%	12,737	921	n/a	7.8%
Available Seat Km (m)	2,437	1,033	n/a	6.1%	15,543	1,033	n/a	7.7%
Cargo Tonne Km (m)	9	6	n/a	-30.8%	82	6	n/a	-18.0%
								
Revenue Passenger Km (m)	5,118	4,949	3.4%		34,088	32,182	5.9%	
Available Seat Km (m)	6,010	5,801	3.6%		41,575	39,680	4.8%	
Cargo Tonne Km (m)	83	84	-1.2%		693	668	3.7%	
								
Revenue Passenger Km (m)	13,666	13,403	2.0%		97,359	94,925	2.6%	
Available Seat Km (m)	16,011	15,407	3.9%		119,576	116,728	2.4%	
Cargo Tonne Km (m)	345	333	3.6%		2,763	2,778	-0.5%	

¹ Group performance comprises Aer Lingus, British Airways, Iberia (including Iberia Express) and Vueling, Vueling traffic is currently accounted as non-premium traffic,

² Monthly pro-forma includes Aer Lingus in the base

³ Year to Date pro-forma includes Aer Lingus in the base

⁴ Domestic includes routes within UK, Spain, Ireland and Italy

⁵ 2015 figures include Aer Lingus from the acquisition date of August 18, 2015