

INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.

Notification concerning remuneration schemes

Madrid, 7 March 2017

INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A. (the “**Company**”) announces the settlement of the following share-based remuneration plans of the Company in relation to its executive directors and senior officers (as persons discharging managerial responsibilities):

- Incentive Award Deferral Plan - IADP 2014
- Performance Share Plan - PSP 2014

The details of these settlements are included in the attached notification form.

These share-based remuneration plans of the Company are described in the Company’s Annual Remuneration Reports available on the corporate website (www.iairgroup.com) and on the website of the Spanish National Securities Market Commission (www.cnmv.es).

Enrique Dupuy de Lôme
Chief Financial Officer

NOTIFICATION AND PUBLIC DISCLOSURE OF TRANSACTIONS BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITIES AND PERSONS CLOSELY ASSOCIATED WITH THEM

INTERNATIONAL CONSOLIDATED AIRLINES GROUP S.A. (the "**Company**") hereby notifies the market of the following transactions of which it has been notified under article 19.1 of the EU Market Abuse Regulation ("MAR"), relating to:

- The acquisition of shares (after the automatic settlement of income tax/national insurance liabilities) following the vesting of awards granted in March 2014 under the Company's Incentive Award Deferral Plan; and
- The acquisition of shares (after the automatic settlement of income tax/national insurance liabilities) following the vesting of awards granted in March 2014 under the Company's Performance Share Plan. 50 per cent of the award was subject to the achievement of the Company's Earnings Per Share (EPS) target and 50 per cent was subject to a Total Shareholder Return (TSR) performance condition measured against the MSCI European Transportation index. The outcome of these performance conditions was that 50 per cent of the award has vested with the remaining shares lapsing.

These share plans are more fully described in the Company's 2016 Directors' Remuneration Reports, which can be accessed online at www.iairgroup.com.

This announcement is made in accordance with Article 19.3 of MAR.

1	Details of the person discharging managerial responsibilities / person closely associated													
a)	Name	<ul style="list-style-type: none"> • William Walsh • Enrique Dupuy • Robert Boyle • Alex Cruz • Ignacio de Torres • Luis Gallego • Steve Gunning • Chris Haynes • Julia Simpson 												
2	Reason for the notification													
a)	Position/ status	<p>Persons Discharging Managerial Responsibilities (PDMRs)</p> <table border="0" data-bbox="544 1749 1410 2018"> <thead> <tr> <th data-bbox="544 1749 855 1787">Name</th> <th data-bbox="855 1749 1410 1787">Position</th> </tr> </thead> <tbody> <tr> <td data-bbox="544 1798 855 1836">William Walsh</td> <td data-bbox="855 1798 1410 1836">Executive Director</td> </tr> <tr> <td data-bbox="544 1843 855 1881">Enrique Dupuy</td> <td data-bbox="855 1843 1410 1881">Executive Director</td> </tr> <tr> <td data-bbox="544 1888 855 1926">Robert Boyle</td> <td data-bbox="855 1888 1410 1926">Director of Strategy</td> </tr> <tr> <td data-bbox="544 1933 855 1971">Alex Cruz</td> <td data-bbox="855 1933 1410 1971">Chairman and CEO of British Airways</td> </tr> <tr> <td data-bbox="544 1977 855 2016">Ignacio de Torres</td> <td data-bbox="855 1977 1410 2016">Director of Global Services</td> </tr> </tbody> </table>	Name	Position	William Walsh	Executive Director	Enrique Dupuy	Executive Director	Robert Boyle	Director of Strategy	Alex Cruz	Chairman and CEO of British Airways	Ignacio de Torres	Director of Global Services
Name	Position													
William Walsh	Executive Director													
Enrique Dupuy	Executive Director													
Robert Boyle	Director of Strategy													
Alex Cruz	Chairman and CEO of British Airways													
Ignacio de Torres	Director of Global Services													

		Luis Gallego Steve Gunning Chris Haynes Julia Simpson	Chairman and CEO of Iberia Chief Financial Officer of British Airways General Counsel Chief of Staff																																														
b)	Initial notification /Amendment	Initial notification																																															
3	Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor																																																
a)	Name	International Consolidated Airlines Group S.A.																																															
b)	LEI	959800TZHQRUSH1ESL13																																															
4	Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted																																																
a)	Description of the financial instrument, type of instrument Identification code	Ordinary shares of 0.50 euro each ES0177542018																																															
b)	Nature of the transaction	Acquisition of shares following the vesting of conditional awards granted in March 2014 under the Incentive Award Deferral Plan (IADP) and the Performance Share Plan (PSP)																																															
c)	Price(s) and volume(s)	<table border="1"> <thead> <tr> <th></th> <th colspan="2">IADP</th> <th colspan="2">PSP</th> </tr> <tr> <th></th> <th>Price(s)</th> <th>Volume(s)</th> <th>Price(s)</th> <th>Volume(s)</th> </tr> </thead> <tbody> <tr> <td>William Walsh</td> <td>£5.485</td> <td>83,027</td> <td>£5.485</td> <td>105,431</td> </tr> <tr> <td>Enrique Dupuy</td> <td>£5.485</td> <td>28,273</td> <td>£5.485</td> <td>38,338</td> </tr> <tr> <td>Robert Boyle</td> <td>£5.485</td> <td>24,598</td> <td>£5.485</td> <td>33,354</td> </tr> <tr> <td>Alex Cruz</td> <td>£5.485</td> <td>9,424</td> <td>£5.485</td> <td>38,338</td> </tr> <tr> <td>Ignacio de Torres</td> <td>£5.485</td> <td>21,066</td> <td>£5.485</td> <td>32,204</td> </tr> <tr> <td>Luis Gallego</td> <td>£5.485</td> <td>0</td> <td>£5.485</td> <td>52,137</td> </tr> <tr> <td>Steve Gunning</td> <td>£5.485</td> <td>13,786</td> <td>£5.485</td> <td>23,768</td> </tr> </tbody> </table>				IADP		PSP			Price(s)	Volume(s)	Price(s)	Volume(s)	William Walsh	£5.485	83,027	£5.485	105,431	Enrique Dupuy	£5.485	28,273	£5.485	38,338	Robert Boyle	£5.485	24,598	£5.485	33,354	Alex Cruz	£5.485	9,424	£5.485	38,338	Ignacio de Torres	£5.485	21,066	£5.485	32,204	Luis Gallego	£5.485	0	£5.485	52,137	Steve Gunning	£5.485	13,786	£5.485	23,768
	IADP		PSP																																														
	Price(s)	Volume(s)	Price(s)	Volume(s)																																													
William Walsh	£5.485	83,027	£5.485	105,431																																													
Enrique Dupuy	£5.485	28,273	£5.485	38,338																																													
Robert Boyle	£5.485	24,598	£5.485	33,354																																													
Alex Cruz	£5.485	9,424	£5.485	38,338																																													
Ignacio de Torres	£5.485	21,066	£5.485	32,204																																													
Luis Gallego	£5.485	0	£5.485	52,137																																													
Steve Gunning	£5.485	13,786	£5.485	23,768																																													

		Chris Haynes	£5.485	13,593	£5.485	17,635
		Julia Simpson	£5.485	14,306	£5.485	19,398
d)	Aggregated information - Aggregated volume - Price	Not applicable				
e)	Date of the transaction	6 March 2017				
f)	Place of the transaction	Outside a trading venue				