

MAY 2016 - GROUP TRAFFIC AND CAPACITY STATISTICS

- Group traffic in May, measured in Revenue Passenger Kilometres, increased by 14.1 per cent versus May 2015 (up 4.4 per cent on a pro-forma basis); Group capacity measured in Available Seat Kilometres rose by 14.1 per cent (up 4.5 per cent on a pro-forma basis).
- Group premium traffic for the month of May increased by 1.4 per cent on a pro-forma basis.

3 June 2016

STRATEGIC DEVELOPMENTS

On 5 May, IAG announced an agreement with Gogo to provide high-speed inflight connectivity on longhaul flights using next generation satellite-based systems. IAG will be the first European airline group to use Gogo's latest technology called "2Ku". In total, 118 British Airways, four Aer Lingus B757s and up to 15 Iberia longhaul aircraft will be fitted with 2Ku. By early 2019, 90 per cent of IAG airlines' longhaul fleet will be fitted with high quality connectivity.

On 18 May, British Airways announced that it is launching the only direct flight between London and Santiago in Chile from January 3, 2017. The four-a-week flight will be served by the airline's newest aircraft, the four-cabin 787-9 Dreamliner, complete with a new First cabin.

On 12 May, Vueling announced that it had signed an interline agreement with LATAM to improve trans-European traffic by providing more long-haul connections at Vueling's Barcelona hub.

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", "may", "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 May				Year to Date			
	2016	2015	Change	Pro-forma ²	2016	2015	Change	Pro-forma ³
Passengers Carried ('000s)	8,874	7,314	21.3%	7.3%	37,223	30,844	20.7%	8.1%
Domestic ⁴	1,975	1,770	11.6%	9.4%	8,557	7,773	10.1%	7.8%
Europe	4,918	3,740	31.5%	8.9%	19,572	14,767	32.5%	10.5%
North America	989	834	18.6%	1.2%	4,083	3,485	17.2%	3.0%
Latin America & Caribbean	374	371	0.8%		1,916	1,838	4.2%	
Africa, Middle East & S,Asia	438	442	-0.9%		2,236	2,222	0.6%	
Asia Pacific	180	157	14.6%		859	759	13.2%	
Revenue Passenger Km (m)	20,919	18,340	14.1%	4.4%	92,274	81,488	13.2%	5.7%
Domestic	1,343	1,173	14.5%	12.7%	5,917	5,175	14.3%	12.4%
Europe	5,828	4,493	29.7%	8.3%	22,331	17,091	30.7%	10.7%
North America	6,540	5,617	16.4%	2.1%	27,067	23,602	14.7%	3.2%
Latin America & Caribbean	3,118	3,135	-0.5%		16,017	15,569	2.9%	
Africa, Middle East & S,Asia	2,312	2,370	-2.4%		12,364	12,530	-1.3%	
Asia Pacific	1,778	1,552	14.6%		8,578	7,521	14.1%	
Available Seat Km (m)	26,211	22,980	14.1%	4.5%	116,714	104,088	12.1%	4.5%
Domestic	1,678	1,557	7.8%	5.9%	7,628	6,969	9.5%	7.3%
Europe	7,447	5,753	29.4%	8.0%	29,385	22,808	28.8%	9.0%
North America	7,799	6,661	17.1%	2.7%	33,691	29,503	14.2%	2.6%
Latin America & Caribbean	4,025	3,859	4.3%		19,579	19,110	2.5%	
Africa, Middle East & S,Asia	2,991	3,138	-4.7%		15,762	16,358	-3.6%	
Asia Pacific	2,271	2,012	12.9%		10,669	9,340	14.2%	
Passenger Load Factor (%)	79.8	79.8	+0.0 pts	-0.1 pts	79.1	78.3	+0.8 pts	+1.0 pts
Domestic	80.0	75.3	+4.7 pts	+4.7 pts	77.6	74.3	+3.3 pts	+3.6 pts
Europe	78.3	78.1	+0.2 pts	+0.3 pts	76.0	74.9	+1.1 pts	+1.1 pts
North America	83.9	84.3	-0.4 pts	-0.4 pts	80.3	80.0	+0.3 pts	+0.4 pts
Latin America & Caribbean	77.5	81.2	-3.7 pts		81.8	81.5	+0.3 pts	
Africa, Middle East & S,Asia	77.3	75.5	+1.8 pts		78.4	76.6	+1.8 pts	
Asia Pacific	78.3	77.1	+1.2 pts		80.4	80.5	-0.1 pts	
Cargo Tonne Km (m)								
Cargo CTK	453	437	3.7%	0.7%	2,225	2,191	1.6%	-1.2%

Performance by Airline

	Month of May				Year to Date			
	2016	2015	Change	Pro-forma	2016	2015	Change	Pro-forma
vueling								
Revenue Passenger Km (m)	2,509	2,167	15.8%		9,327	7,861	18.6%	
Available Seat Km (m)	3,105	2,737	13.4%		11,637	10,130	14.9%	
Cargo Tonne Km (m)	0	0	n/a		0	0	n/a	
Aer Lingus								
Revenue Passenger Km (m)	1,794	0	n/a	5.7%	6,417	0	n/a	10.4%
Available Seat Km (m)	2,249	0	n/a	6.5%	8,332	0	n/a	9.2%
Cargo Tonne Km (m)	11	0	n/a	-15.4%	52	0	n/a	-16.1%
IBERIA								
Revenue Passenger Km (m)	4,064	4,003	1.5%		19,371	17,998	7.6%	
Available Seat Km (m)	5,214	5,061	3.0%		24,306	22,983	5.8%	
Cargo Tonne Km (m)	82	82	0.0%		437	418	4.5%	
BRITISH AIRWAYS								
Revenue Passenger Km (m)	12,552	12,170	3.1%		57,159	55,629	2.8%	
Available Seat Km (m)	15,643	15,182	3.0%		72,439	70,975	2.1%	
Cargo Tonne Km (m)	360	355	1.4%		1,736	1,773	-2.1%	

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