

RELEVANT FACT

Exercise of Conversion Rights

This notification follows on from the relevant fact of 14 January 2016 (n° 233984), in relation to the issue of 881,456 new ordinary shares in International Consolidated Airlines Group, S.A. (the “**Issuer**”) to effect the conversion request received in respect of the Issuer’s €390,000,000 1.75 per cent. convertible bonds due 2018, exchangeable into ordinary shares in the Issuer.

In connection with this, the Issuer announces that the deed recording the issue of the above mentioned 881,456 new ordinary shares in the Issuer has been registered at the Madrid Commercial Registry, at Volume 34,081, Page 16, Section 8th, Sheet M-492129, entry 85. The new shares are expected to be admitted for trading in the forthcoming days on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (Electronic Market).

As a consequence of the above-referred capital increase, the share capital of the Issuer amounts to 1,020,479,989.50 euros, divided into 2,040,959,979 ordinary shares of the same class and series and with a nominal value of 0.50 euros each, fully subscribed and paid.

27 January 2016

Enrique Dupuy de Lôme
Chief Financial Officer