

OCTOBER 2017 - GROUP TRAFFIC AND CAPACITY STATISTICS

- Group traffic in October, measured in Revenue Passenger Kilometres, increased by 4.4 per cent versus October 2016; Group capacity measured in Available Seat Kilometres rose by 2.7 per cent.
- Group premium traffic for the month of October increased by 4.4 per cent compared to the previous year.

7 November 2017

STRATEGIC DEVELOPMENTS

On 4 October, Aer Lingus announced a new route between Dublin and Philadelphia as the latest step in its transatlantic expansion plan. This is the fifth new transatlantic route to be announced by Aer Lingus since IAG acquired the airline in August 2015.

On 17 October, Iberia announced that it will start flying to San Francisco and Managua in 2018. The airline is also seeking permission to increase capacity on flights from Madrid to Tokyo and Bogota from October 2018. It has asked the Japanese authorities for new slots at Narita airport to increase services from three to five weekly flights and requested permission from the Colombian authorities to increase flights from seven to 10 per week.

On 30 October, IAG was recognised as a global leader for its actions to combat environmental risks worldwide by CDP (Carbon Disclosure Project). IAG was the only commercial airline group in CDP's Climate "A" list of the top five per cent of global companies and was also awarded "most improved" organisation in the UK in 2017. These awards highlight IAG's actions in the last reporting year to cut emissions, mitigate climate risks and develop a low carbon-economy.

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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

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 2016; these documents are available on www.iagshares.com.

Group Performance¹

	Month of October			Year to Date		
	2017	2016	Change	2017	2016	Change
Passengers Carried ('000s)	9,296	8,836	5.2%	89,361	86,361	3.5%
Domestic ²	2,165	1,930	12.2%	20,563	19,328	6.4%
Europe	5,001	4,863	2.8%	48,466	47,338	2.4%
North America	1,038	1,003	3.5%	9,532	9,261	2.9%
Latin America & Caribbean	416	397	4.8%	4,055	3,984	1.8%
Africa, Middle East & S,Asia	481	450	6.9%	4,840	4,603	5.1%
Asia Pacific	195	193	1.0%	1,905	1,847	3.1%
Revenue Passenger Km (m)	22,348	21,396	4.4%	214,089	207,122	3.4%
Domestic	1,524	1,361	12.0%	14,294	13,386	6.8%
Europe	5,863	5,765	1.7%	57,011	56,055	1.7%
North America	6,870	6,587	4.3%	63,192	61,251	3.2%
Latin America & Caribbean	3,565	3,334	6.9%	34,588	33,379	3.6%
Africa, Middle East & S,Asia	2,559	2,420	5.7%	25,854	24,657	4.9%
Asia Pacific	1,967	1,929	2.0%	19,150	18,394	4.1%
Available Seat Km (m)	26,803	26,104	2.7%	258,220	252,460	2.3%
Domestic	1,799	1,609	11.8%	17,127	16,458	4.1%
Europe	7,055	7,157	-1.4%	68,948	69,662	-1.0%
North America	8,192	7,873	4.1%	76,600	73,378	4.4%
Latin America & Caribbean	4,206	4,031	4.3%	40,996	39,957	2.6%
Africa, Middle East & S,Asia	3,240	3,085	5.0%	32,035	30,822	3.9%
Asia Pacific	2,311	2,349	-1.6%	22,514	22,183	1.5%
Passenger Load Factor (%)	83.4	82.0	+1.4 pts	82.9	82.0	+0.9 pts
Domestic	84.7	84.6	+0.1 pts	83.5	81.3	+2.2 pts
Europe	83.1	80.6	+2.5 pts	82.7	80.5	+2.2 pts
North America	83.9	83.7	+0.2 pts	82.5	83.5	-1.0 pts
Latin America & Caribbean	84.8	82.7	+2.1 pts	84.4	83.5	+0.9 pts
Africa, Middle East & S,Asia	79.0	78.4	+0.6 pts	80.7	80.0	+0.7 pts
Asia Pacific	85.1	82.1	+3.0 pts	85.1	82.9	+2.2 pts
Cargo Tonne Km (m)						
Cargo CTK	527	504	4.6%	4,747	4,490	5.7%

Performance by Airline

	Month of October			Year to Date		
	2017	2016	Change	2017	2016	Change
vueling						
Revenue Passenger Km (m)	2,613	2,490	4.9%	25,239	24,638	2.4%
Available Seat Km (m)	3,083	3,001	2.7%	29,523	29,570	-0.2%
Cargo Tonne Km (m)	0	0	n/a	0	0	n/a
Aer Lingus						
Revenue Passenger Km (m)	1,968	1,850	6.4%	18,462	16,569	11.4%
Available Seat Km (m)	2,421	2,249	7.6%	22,560	20,128	12.1%
Cargo Tonne Km (m)	14	11	27.3%	124	103	20.4%
IBERIA						
Revenue Passenger Km (m)	4,904	4,434	10.6%	46,187	43,113	7.1%
Available Seat Km (m)	5,693	5,342	6.6%	54,771	52,372	4.6%
Cargo Tonne Km (m)	110	111	-0.9%	906	894	1.3%
BRITISH AIRWAYS						
Revenue Passenger Km (m)	12,863	12,622	1.9%	124,201	122,802	1.1%
Available Seat Km (m)	15,606	15,512	0.6%	151,366	150,390	0.6%
Cargo Tonne Km (m)	403	382	5.5%	3,717	3,493	6.4%

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

² Domestic includes routes within UK, Spain, Ireland and Italy