

RELEVANT FACT

IAG CAPITAL MARKETS DAY 2014

At its Capital Markets Day today (November 7, 2014) IAG will update the market with the following information:

- Long-term planning goals for 2016-2020 include:
 - Return on Invested Capital (real terms) of 12%+
 - An operating profit margin of 10% to 14%
 - Average EPS growth of 10%+ per annum
 - EBITDAR of approximately €5bn average per annum
 - Capex of €2bn to €3bn per annum
 - Equity free-cash flow of €1bn to €1.5bn per annum
 - ASK growth of approximately 3% to 4% per annum
 - Gearing to be in the investment grade zone

- Dividend policy statement:
 - It has been the stated intention of IAG to distribute regular dividends to our shareholders in the medium and long term, in an amount appropriate to market conditions, depending on a number of factors, including but not limited to, the earnings of the company, financial conditions, cash requirements and prospects and legal requirements.
 - The Company has made significant progress during 2014 and we remain confident in meeting our 2015 financial targets which we see as the trigger to introducing a dividend.
 - Therefore we anticipate making a declaration in 2015 as the first step in our plan to introduce a sustainable dividend payment.
 - The initial dividend would be based on a payout ratio of 25% of our underlying profit after tax.

The presentations from the Capital Markets Day can be accessed via www.iairgroup.com and a webcast of the event will be available today from 0830 GMT/0930 CET.

Enrique Dupuy de Lôme
Chief Financial Officer

November 7, 2014

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 2013; these documents are available on www.iagshares.com.