

## RELEVANT FACT

Further to the conclusion of the buy-back programme (the “**Buy-back Programme**”), which was announced by International Consolidated Airlines Group, S.A. (the “**Company**”) on 25 October 2018 by means of a relevant fact (n. 270851), on the date hereof, the share capital reduction approved by the Annual Shareholders’ Meeting of the Company held on 14 June 2018, has been executed by virtue of the corresponding public deed on capital reduction and by-laws amendment granted before a notary.

The share capital of the Company has been reduced in the amount of 32,978,330 euros, through the cancellation of 65,956,660 treasury shares acquired through the Buy-back Programme.

Consequently, article 5 of the Company’s by-laws has been amended and the share capital of the Company, following the capital reduction, amounts to 996,016,317 euros divided into 1,992,032,634 ordinary shares of the same class and series and with a nominal value of 0.50 euros each, fully subscribed and paid.

The required announcement of the reduction of the share capital has been published today in the corporate web page of the Company ([www.iairgroup.com](http://www.iairgroup.com)) and in the Official Gazette of the Commercial Register (*Boletín Oficial del Registro Mercantil*).

The public deed regarding the capital reduction and the by-laws amendment will be registered with the Madrid Commercial Register in the forthcoming days and the Company will request the exclusion of the 65,956,660 shares cancelled from the corresponding Stock Exchanges.

Following the capital reduction, the Company holds 8,854,210 treasury shares (acquired prior to and outside the Buy-back Programme) and the Company's issued share capital (excluding shares held as treasury shares) consists of 1,983,178,424 shares.

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Enrique Dupuy de Lôme  
Chief Financial Officer

7 November 2018