

JANUARY 2016 - GROUP TRAFFIC AND CAPACITY STATISTICS

- Group traffic in January, measured in Revenue Passenger Kilometres, increased by 11.9 per cent versus January 2015 (up 6.1 per cent on a pro-forma basis); Group capacity measured in Available Seat Kilometres rose by 9.4 per cent (up 3.1 per cent on a pro-forma basis).
- Group premium traffic for the month of January increased by 2.1 per cent on a pro-forma basis.

3 February 2016

STRATEGIC DEVELOPMENTS

On 14 January, IAG announced that it had signed a joint business agreement between British Airways, Iberia and LATAM Airlines Group on flights between Europe and South America. Under the joint business, the airlines would cooperate commercially and expand their codeshare arrangements on flights between and within both regions. It is anticipated that regulatory approval from the appropriate competition authorities in South America could take between 12 and 18 months.

On 18 January, Iberia announced that it will begin flights to Japan and China. The airline will operate three weekly services between Madrid and Tokyo from October 18, 2016. Iberia expects to launch its new Madrid-Shanghai route next winter season, subject to the granting of slots and permissions.

British Airways announced today that it will resume direct flights to Tehran on July 14. The route will launch as a six-per-week service before moving to daily flights from winter 2016. The service from Heathrow Terminal 5 will be operated by a four-class Boeing 777.

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 2014; these documents are available on www.iagshares.com.

Group Performance¹

| | Month of January | | | Pro-forma ² |
|-----------------------------------|------------------|---------------|-----------------|------------------------|
| | 2016 | 2015 | Change | |
| Passengers Carried ('000s) | 6,338 | 5,310 | 19.4% | 8.2% |
| Domestic ³ | 1,445 | 1,321 | 9.4% | 7.0% |
| Europe | 3,096 | 2,342 | 32.2% | 11.2% |
| North America | 733 | 639 | 14.7% | 3.1% |
| Latin America & Caribbean | 423 | 391 | 8.2% | |
| Africa, Middle East & S,Asia | 475 | 469 | 1.3% | |
| Asia Pacific | 166 | 148 | 12.2% | |
| Revenue Passenger Km (m) | 17,292 | 15,457 | 11.9% | 6.1% |
| Domestic | 1,031 | 892 | 15.6% | 13.5% |
| Europe | 3,446 | 2,653 | 29.9% | 11.7% |
| North America | 4,888 | 4,344 | 12.5% | 3.1% |
| Latin America & Caribbean | 3,547 | 3,332 | 6.5% | |
| Africa, Middle East & S,Asia | 2,704 | 2,756 | -1.9% | |
| Asia Pacific | 1,676 | 1,480 | 13.2% | |
| Available Seat Km (m) | 21,974 | 20,079 | 9.4% | 3.1% |
| Domestic | 1,395 | 1,276 | 9.3% | 6.9% |
| Europe | 4,933 | 3,909 | 26.2% | 8.0% |
| North America | 6,185 | 5,578 | 10.9% | 1.1% |
| Latin America & Caribbean | 4,042 | 3,961 | 2.0% | |
| Africa, Middle East & S,Asia | 3,380 | 3,521 | -4.0% | |
| Asia Pacific | 2,039 | 1,834 | 11.2% | |
| Passenger Load Factor (%) | 78.7 | 77.0 | +1.7 pts | +2.2 pts |
| Domestic | 73.9 | 69.9 | +4.0 pts | +4.3 pts |
| Europe | 69.9 | 67.9 | +2.0 pts | +2.4 pts |
| North America | 79.0 | 77.9 | +1.1 pts | +1.5 pts |
| Latin America & Caribbean | 87.8 | 84.1 | +3.7 pts | |
| Africa, Middle East & S,Asia | 80.0 | 78.3 | +1.7 pts | |
| Asia Pacific | 82.2 | 80.7 | +1.5 pts | |
| Cargo Tonne Km (m) | | | | |
| Cargo CTk | 422 | 407 | 3.7% | 1.2% |

Performance by Airline

| | Month of January | | | Pro-forma |
|--------------------------|------------------|--------|--------|-----------|
| | 2016 | 2015 | Change | |
| vueling | | | | |
| Revenue Passenger Km (m) | 1,382 | 1,146 | 20.6% | |
| Available Seat Km (m) | 1,825 | 1,643 | 11.1% | |
| Cargo Tonne Km (m) | 0 | 0 | n/a | |
| Aer Lingus | | | | |
| Revenue Passenger Km (m) | 951 | 0 | n/a | 12.3% |
| Available Seat Km (m) | 1,343 | 0 | n/a | 9.3% |
| Cargo Tonne Km (m) | 10 | 0 | n/a | 0.0% |
| IBERIA | | | | |
| Revenue Passenger Km (m) | 3,901 | 3,442 | 13.3% | |
| Available Seat Km (m) | 4,724 | 4,416 | 7.0% | |
| Cargo Tonne Km (m) | 82 | 73 | 12.3% | |
| BRITISH AIRWAYS | | | | |
| Revenue Passenger Km (m) | 11,058 | 10,869 | 1.7% | |
| Available Seat Km (m) | 14,082 | 14,020 | 0.4% | |
| Cargo Tonne Km (m) | 330 | 334 | -1.2% | |

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 Domestic includes routes within UK, Spain, Ireland and Italy