

RELEVANT FACT

IAG CAPITAL MARKETS DAY 2016

International Consolidated Airlines Group (IAG) will update the market today (November 4, 2016) at its Capital Markets Day with the following key information:

Shareholder cash returns:

- IAG reinforces its strong equity free cash flow targets
- IAG has a strong balance sheet and has no need for further deleveraging

Long-term planning goals for 2016-2020 include:

- Return on Invested Capital (real terms) targeting sustainable 15% (no change)
- An operating profit margin of 12% to 15% (no change)
- Average EPS growth of 12%+ per annum (no change)
- EBITDAR of approximately €5.3bn average per annum (compared to €5.6bn average per annum previously)
- Capex: average of €1.7bn per annum (compared to targeting less than €2.5bn per annum previously)
- Equity free-cash flow of €1.5bn to €2.5bn per annum (no change)
- ASK growth of approximately 3% per annum (compared to 3% to 4% per annum previously)
- Gearing to be in the investment grade zone (no change)

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 4, 2016

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 2015; these documents are available on www.iagshares.com.