MARCH 2018 – GROUP TRAFFIC AND CAPACITY STATISTICS

Group traffic in March, measured in Revenue Passenger Kilometres, increased by 9.0 per cent versus February 2017; Group capacity measured in Available Seat Kilometres rose by 5.8 per cent.

5 April 2018

STRATEGIC DEVELOPMENTS

On 3 April, IAG announced that British Airways had finalised its new pension scheme. The airline closed its New Airways Pension Scheme (NAPS) to future accrual and its British Airways Retirement Plan (BARP) to future contributions from March 31, 2018. The schemes have been replaced by a flexible benefits scheme, incorporating a new defined contribution pension scheme, called the British Airways Pension Plan (BAPP). NAPS active members were offered a choice of transition arrangements. In Q1 2018, the net impact of these arrangements, the liability reduction resulting from the closure of NAPS and the cost of closing BARP will be treated as an exceptional gain of £598 million. The annual costs for BAPP are expected to be approximately £80 million lower than the equivalent NAPS and BARP costs in 2017.

On 25 March, Aer Lingus launched its flights between Dublin and Philadelphia. This is the airline's 14th direct transatlantic route. Philadelphia is the first of two new transatlantic routes to be operated by Aer Lingus for summer 2018 and will be followed by a new Dublin to Seattle service starting on 18 May. Initially, flights between Dublin and Philadelphia are operating four times per week and will increase to a daily service from mid-May.

On 28 March, LEVEL launched its new route from Barcelona to Boston with two weekly flights which will increase to three services per week from August 2018. From July, LEVEL will also start operations from Paris-Orly to Montreal, New York (Newark), Guadeloupe and Martinique.

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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.

INTERNATIONAL AIRLINES GROUP

Group Performance[1]

	Month of March			Year to Date		
	2018	**2017**	**Change**	**2018**	**2017**	**Change**
Passengers Carried ('000s)	**8,667**	**7,917**	**9.5%**	**22,953**	**21,147**	**8.5%**
Domestic[2]	2,076	1,909	8.7%	5,558	4,997	11.2%
Europe	4,509	4,083	10.4%	11,770	10,760	9.4%
North America	927	859	7.9%	2,318	2,254	2.9%
Latin America & Caribbean	430	394	9.1%	1,248	1,180	5.7%
Africa, Middle East & S,Asia	531	478	11.1%	1,515	1,400	8.2%
Asia Pacific	195	194	0.5%	544	556	-2.2%
Revenue Passenger Km (m)	**21,229**	**19,475**	**9.0%**	**57,221**	**53,944**	**6.1%**
Domestic	1,475	1,312	12.4%	3,955	3,488	13.4%
Europe	5,046	4,534	11.3%	13,013	11,887	9.5%
North America	6,166	5,675	8.6%	15,509	14,957	3.7%
Latin America & Caribbean	3,627	3,335	8.8%	10,616	9,966	6.5%
Africa, Middle East & S,Asia	2,947	2,672	10.3%	8,630	8,046	7.3%
Asia Pacific	1,968	1,947	1.1%	5,497	5,600	-1.8%
Available Seat Km (m)	**25,559**	**24,162**	**5.8%**	**71,092**	**68,304**	**4.1%**
Domestic	1,770	1,633	8.4%	4,873	4,442	9.7%
Europe	6,125	5,670	8.0%	16,488	15,479	6.5%
North America	7,495	7,129	5.1%	20,232	19,764	2.4%
Latin America & Caribbean	4,280	4,071	5.1%	12,360	11,900	3.9%
Africa, Middle East & S,Asia	3,583	3,364	6.5%	10,578	10,075	5.0%
Asia Pacific	2,306	2,295	0.5%	6,562	6,644	-1.2%
Passenger Load Factor (%)	**83.1**	**80.6**	**+2.5 pts**	**80.5**	**79.0**	**+1.5 pts**
Domestic	83.3	80.3	+3.0 pts	81.2	78.5	+2.7 pts
Europe	82.4	80.0	+2.4 pts	78.9	76.8	+2.1 pts
North America	82.3	79.6	+2.7 pts	76.7	75.7	+1.0 pts
Latin America & Caribbean	84.7	81.9	+2.8 pts	85.9	83.7	+2.2 pts
Africa, Middle East & S,Asia	82.2	79.4	+2.8 pts	81.6	79.9	+1.7 pts
Asia Pacific	85.3	84.8	+0.5 pts	83.8	84.3	-0.5 pts
Cargo Tonne Km (m)						
Cargo CTK	498	501	-0.5%	1,357	1,367	-0.7%

Performance by Airline

	Month of March			Year to Date		
	2018	**2017**	**Change**	**2018**	**2017**	**Change**
Aer Lingus						
Revenue Passenger Km (m)	1,639	1,450	13.0%	3,803	3,482	9.2%
Available Seat Km (m)	2,037	1,876	8.6%	5,083	4,802	5.9%
Passenger load factor (%)	80.5	77.3	*+3.2 pts*	74.8	72.5	*+2.3 pts*
Cargo Tonne Km (m)	16	15	6.7%	37	36	2.8%
BRITISH AIRWAYS [3]						
Revenue Passenger Km (m)	12,444	11,872	4.8%	34,208	33,637	1.7%
Available Seat Km (m)	15,162	14,881	1.9%	43,191	43,014	0.4%
Passenger load factor (%)	82.1	79.8	*+2.3 pts*	79.2	78.2	*+1.0 pts*
Cargo Tonne Km (m)	381	392	-2.8%	1,056	1,078	-2.0%
IBERIA						
Revenue Passenger Km (m)	4,755	4,205	13.1%	13,141	11,803	11.3%
Available Seat Km (m)	5,545	5,095	8.8%	15,461	14,306	8.1%
Passenger load factor (%)	85.8	82.5	*+3.3 pts*	85.0	82.5	*+2.5 pts*
Cargo Tonne Km (m)	102	94	8.5%	265	253	4.7%
vueling						
Revenue Passenger Km (m)	2,330	1,948	19.6%	5,919	5,022	17.9%
Available Seat Km (m)	2,740	2,310	18.6%	7,158	6,182	15.8%
Passenger load factor (%)	85.0	84.3	*+0.7 pts*	82.7	81.2	*+1.5 pts*
Cargo Tonne Km (m)	0	0	n/a	0	0	n/a

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

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

[3] British Airways figures exclude Openskies in 2018, but include Openskies in 2017