

DECEMBER 2012 - GROUP TRAFFIC AND CAPACITY STATISTICS

- In December 2012, Group traffic measured in Revenue Passenger Kilometres rose by 0.3 per cent versus December 2011 (down 2.1 per cent on a like for like basis); Group capacity measured in Available Seat Kilometres was down 0.4 per cent (down 3.5 per cent on a like for like basis).
- Group premium traffic for the month of December grew by 4.6 per cent compared to the previous year, with a 0.4 per cent decline in non-premium traffic.
- Underlying market conditions remain unchanged from those described at IAG Capital Markets Day on 9th November. There is continued firmness in trends at British Airways and weakness in Spanish markets as in the previous months.

January 7th, 2013

STRATEGIC DEVELOPMENTS

Iberia and unions representing ground staff, cabin crews and pilots have agreed to negotiate the terms of the company's Transformation Plan, aimed at restoring profitability and ensuring the airline's future. Unions decided to call off the strikes planned for December after the agreement was reached.

British Airways unveiled seating plans for its new Airbus A380s and Boeing 787s, which will be delivered from May 2013. The A380 will have 469 seats in four different cabin classes, while the Boeing 787 will have 214 seats in three different cabin classes.

British Airways announced plans to begin a new service to Chengdu in China. The three times a week service will begin in September 2013 from Heathrow Terminal 5.

Iberia has launched Iberia Conecta, a free service to inform customers directly by text or email message about any change in the status of their flights.



Certain information included in these statements is forward-looking and involves risks and uncertainties that could cause actual results to differ materially from those expressed or implied by the forward-looking statements. Forward-looking statements include, without limitation, projections relating to results of operations and financial conditions and the Company's plans and objectives for future operations, including, without limitation, discussions of the Company's Business Plan, expected future revenues, financing plans and expected expenditures and divestments. All forward-looking statements in this report are based upon information known to the Company on the date of this report. The Company 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 Company's forward-looking statements 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 to the Company and its risk management process is given in the Annual Report and Accounts 2011; this document is available on www.iagshares.com.

Group Performance¹

	Month of December				Year to Date			
	2012	2011	Change	Like for like change ²	2012	2011	Change	Like for like change ²
Passengers Carried ('000s)	4,045	3,880	4.3%	-1.8%	54,600	51,687	5.6%	1.8%
Domestic (UK & Spain)	810	758	6.9%		11,915	10,845	9.9%	
Europe	1,694	1,585	6.9%		23,165	22,349	3.7%	
North America	620	630	-1.6%		8,487	8,026	5.7%	
Latin America & Caribbean	378	399	-5.3%		4,691	4,774	-1.7%	
Africa, Middle East & S.Asia	412	388	6.2%		4,788	4,176	14.7%	
Asia Pacific	131	120	9.2%		1,554	1,517	2.4%	
Revenue Passenger Km (millions)	13,591	13,549	0.3%	-2.1%	176,102	168,617	4.4%	2.6%
Domestic (UK & Spain)	505	484	4.3%		7,518	6,747	11.4%	
Europe	1,985	1,874	5.9%		28,341	27,584	2.7%	
North America	4,155	4,235	-1.9%		57,230	53,950	6.1%	
Latin America & Caribbean	3,143	3,326	-5.5%		39,193	39,372	-0.5%	
Africa, Middle East & S.Asia	2,483	2,395	3.7%		28,144	25,427	10.7%	
Asia Pacific	1,320	1,235	6.9%		15,676	15,537	0.9%	
Available Seat Km (millions)	17,398	17,471	-0.4%	-3.5%	219,172	213,193	2.8%	0.7%
Domestic (UK & Spain)	735	664	10.7%		10,065	9,157	9.9%	
Europe	2,853	2,707	5.4%		37,736	36,956	2.1%	
North America	5,037	5,316	-5.2%		68,347	66,163	3.3%	
Latin America & Caribbean	3,908	4,113	-5.0%		46,738	47,605	-1.8%	
Africa, Middle East & S.Asia	3,216	3,091	4.0%		36,638	33,791	8.4%	
Asia Pacific	1,649	1,580	4.4%		19,648	19,521	0.7%	
Passenger Load Factor (%)	78.1	77.6	+0.5 pts	+1.1 pts	80.3	79.1	+1.2 pts	+1.5 pts
Domestic (UK & Spain)	68.7	72.9	-4.2 pts		74.7	73.7	+1.0 pts	
Europe	69.6	69.2	+0.4 pts		75.1	74.6	+0.5 pts	
North America	82.5	79.7	+2.8 pts		83.7	81.5	+2.2 pts	
Latin America & Caribbean	80.4	80.9	-0.5 pts		83.9	82.7	+1.2 pts	
Africa, Middle East & S.Asia	77.2	77.5	-0.3 pts		76.8	75.2	+1.6 pts	
Asia Pacific	80.0	78.2	+1.8 pts		79.8	79.6	+0.2 pts	
Cargo and Total Capacity (millions)								
Cargo Tonne Km	506	527	-4.0%	-4.6%	6,080	6,156	-1.2%	-1.8%
Total Revenue Tonne Km	1,817	1,828	-0.6%		22,867	22,193	3.0%	
Available Tonne Km	2,474	2,464	0.4%		30,954	30,050	3.0%	
Overall Load Factor	73.4	74.2	-0.8 pts	-0.2 pts	73.9	73.9	-0.0 pts	-0.0 pts

Performance by Airline

	Month of December				Year to Date			
	2012	2011	Change	Like for like change ²	2012	2011	Change	Like for like change ²
 ³								
Revenue Passenger Km (millions)	3,590	3,919	-8.4%		49,663	51,268	-3.1%	
Available Seat Km (millions)	4,694	4,997	-6.1%		60,932	63,042	-3.3%	
Cargo Tonne Km (millions)	110	123	-10.6%		1,189	1,363	-12.8%	
 ³								
Revenue Passenger Km (millions)	10,001	9,630	3.9%	0.4%	126,436	117,348	7.7%	5.2%
Available Seat Km (millions)	12,705	12,475	1.8%	-2.5%	158,247	150,152	5.4%	2.5%
Cargo Tonne Km (millions)	396	404	-2.0%	-3.0%	4,891	4,793	2.0%	1.4%

Notes:

¹ Group Performance comprises British Airways (including bmi Mainline, excluding bmibaby) and Iberia (including Iberia Express). Year to Date 2012 includes bmi Mainline from 20 April 2012.

² Like for like change compares 2012 IAG, excluding the impact of bmi on British Airways; against the 2011 reported IAG

³ Iberia Performance includes Iberia Express. British Airways Performance excludes bmibaby