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In compliance with article 228 of Royal Legislative Decree 4/2015, of October 23, approving the recast text of the Spanish Securities Market Act (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*) and its developing regulation, International Consolidated Airlines Group, S.A. (“**IAG**” or the “**Issuer**”) hereby reports and releases the following

RELEVANT EVENT

SETTLEMENT OF CONVERTIBLE BONDS

Further to the disclosures of relevant information published on 12 November 2015 under numbers 230865 and 230887 in relation to the issue by IAG of two tranches of senior unsecured bonds convertible into ordinary shares of IAG (the “**Issue**”), the first one for a principal amount of EUR 500 million and due 2020 (the “**2020 Bonds**”) and the second one for a principal amount of EUR 500 million and due 2022 (the “**2022 Bonds**” and, together with the 2020 Bonds, the “**Bonds**”), without any pre-emptive subscription rights for existing shareholders of IAG, it is hereby announced that the public deeds of issue of the 2020 Bonds and the 2022 Bonds have been registered in the Mercantile Registry of Madrid and that today, being the closing date of the Issue, the Bonds have been issued, fully subscribed and settled.

An application will be made by IAG for the Bonds to be admitted to trading on the Open Market (*Freiverkehr*) of the Frankfurt Stock Exchange.

Enrique Dupuy de Lôme

Chief Financial Officer

November 17, 2015

IMPORTANT NOTICE

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