

INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.

NOTICE OF RELEVANT FACT

Madrid, April 29, 2015.

The Board of Directors of INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A. (the “Company”) has resolved to call the Shareholders' Meeting to be held in **Madrid, at Auditorio de la Fundación Albéniz, calle Requena 1-3**, on June 17, 2015 at 12 noon (CET), on first call, and on the following day, **June 18, 2015 at 12 noon (CET)**, at the same venue, on second call. In light of the fact that the quorum required by law and the Corporate Bylaws for the Shareholders' Meeting may not be met on first call, shareholders are informed that the Shareholders' Meeting will be held on second call.

The Board of Directors is proposing the re-election of 12 directors at the Shareholders' Meeting. The Board would like to thank Mr. José Pedro Pérez-Llorca for his service during more than 14 years of dedication to Iberia and IAG.

The Shareholders' Meeting is called in accordance with the following

AGENDA

- 1.- Approval of the individual annual financial statements and management report of the Company and the consolidated annual financial statements and management report of the Company and its subsidiaries for the financial year ended on December 31, 2014.
- 2.- Approval of the proposal for the allocation of results corresponding to the financial year ended on December 31, 2014.
- 3.- Approval of the management of the Board of Directors during the financial year ended on December 31, 2014.
- 4.- Re-election of auditors:
 - a) Re-election of Ernst & Young, S.L. as auditor for the financial statements of the Company and of its consolidated group for financial year 2015.
 - b) Delegation to the Board of Directors to determine the terms and conditions of re-election and remuneration of Ernst & Young, S.L. as auditor.
- 5.- Re-election of directors for the Corporate Bylaws mandated one-year term:
 - a) Record the expiration of the directors' terms of office and to fix at 12 the number of Board members.
 - b) To re-elect Mr. Antonio Vázquez Romero as a director, classified as other external director.
 - c) To re-elect Sir Martin Broughton as a director, classified as non-executive independent director.

- d) To re-elect Mr. William Walsh as a director, classified as executive director.
- e) To re-elect Mr. César Alierta Izuel as a director, classified as non-executive independent director.
- f) To re-elect Mr. Patrick Cescau as a director, classified as non-executive independent director.
- g) To re-elect Mr. Enrique Dupuy de Lôme as a director, classified as executive director.
- h) To re-elect Baroness Kingsmill as a director, classified as non-executive independent director.
- i) To re-elect Mr. James Lawrence as a director, classified as non-executive independent director.
- j) To re-elect Ms. María Fernanda Mejía Campuzano as a director, classified as non-executive independent director.
- k) To re-elect Mr. Kieran Poynter as a director, classified as non-executive independent director.
- l) To re-elect Dame Marjorie Scardino as a director, classified as non-executive independent director.
- m) To re-elect Mr. Alberto Terol Esteban as a director, classified as non-executive independent director.

6.- Resolutions on directors' remuneration:

- a) Consultative vote on the 2014 annual report on directors' remuneration.
- b) Approval of the directors' remuneration policy.
- c) Approval for the purposes of article 37.8 of the Corporate Bylaws, of the rules on rights to plane tickets of non-executive directors who cease to hold office.

7.- Amendment of the Corporate Bylaws to adapt them to the reform of the Companies Law by Law 31/2014, of December 3, in order to enhance corporate governance, and in order to introduce technical and systematic improvements:

- a) Amendment of the following articles of Title III, Section 1st (*Shareholders' Meeting*) of the Corporate Bylaws: 21 (*Call of the Shareholders' Meeting*), 22 (*Power and obligation to call meetings*), 23 (*Right to information*) and 31 (*Adoption of resolutions. Consultative vote*).
- b) Amendment of the following articles of Title III, Section 2nd (*The Managing Body*) of the Corporate Bylaws: 37 (*Remuneration*), 38 (*General obligations of Board members*), 39 (*Board Meetings*), 40 (*Constitution*), 44 (*Board Advisory Committees*) and 45 (*Audit and Compliance Committee*).

- 8.- Amendment of the Shareholders' Meeting Regulations to adapt them to the reform of the Companies Law by Law 31/2014, of December 3, in order to enhance corporate governance, and in order to introduce technical and systematic improvements: amendment of articles 7 (*Powers of the shareholders acting at a Shareholders' Meeting*), 10 (*Call of the Shareholders' Meeting*), 11 (*Announcement of the call*), 12 (*Information available from the date of notice*), 13 (*Right of information prior to the holding of a Shareholders' Meeting*), 19 (*Presiding Committee at General Meetings*), 23 (*List of attendees*), 24 (*Commencement of the Meeting*), 25 (*Requests for statements*), 26 (*Reports*), 28 (*Right to be informed during the course of a Shareholders' Meeting*), 29 (*Establishment of a final quorum for the Shareholders' Meeting*), 32 (*Adoption of resolutions and declaration of the results of votes*) and 36 (*Publication of resolutions*).
- 9.- Authorisation, for a term ending at next year's annual Shareholders' Meeting (or, if earlier, fifteen months from the date of passing of this resolution), for the derivative acquisition of the Company's own shares by the Company itself and/or by its subsidiaries, upon the terms provided by applicable law and subject to the following conditions: (a) the maximum aggregate number of shares which are authorised to be purchased shall be the lower of the maximum amount permitted by the law and such number as represents ten per cent. of the aggregate nominal amount of the share capital as at the date of passing this resolution; (b) the minimum price which may be paid for a share is zero; (c) the maximum price which may be paid for a share is the highest of: (i) an amount equal to five per cent. above the average of the middle market quotations for the shares as taken from the relevant stock exchange for the five business days immediately preceding the day on which the transaction is performed; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the transaction is carried out at the relevant time; in each case, exclusive of expenses.
- 10.- Authorisation to the Board of Directors, with the express power of substitution, for a term ending at next year's annual Shareholders' Meeting (or, if earlier, fifteen months from the date of passing of this resolution), to increase the share capital pursuant to the provisions of Article 297.1.b) of the Companies Law, by up to (a) one-third of the share capital as at the date of passing this resolution (such amount to be reduced by the amount that the share capital has been increased by and the maximum amount that the share capital may need to be increased on the conversion or exchange of any securities issued under paragraph (a) of Resolution 11); and (b) up to a further one-sixth of the share capital as at the date of passing this resolution in connection with an offer by way of a rights issue in accordance with the Listing Rules made under Part IV of the United Kingdom Financial Services and Markets Act 2000 (such amount to be reduced by the amount that the share capital has been increased by and the maximum amount that the share capital may need to be increased on the conversion or exchange of any securities issued under paragraph (b) of Resolution 11).
- 11.- Authorisation to the Board of Directors, with the express power of substitution, for a term ending at next year's annual Shareholders' Meeting (or, if earlier, fifteen months from the date of passing of this resolution), to issue securities (including warrants) convertible into and/or exchangeable for shares of the Company, up to a maximum limit of 1,000,000,000 euros or the equivalent thereof in another currency, provided that the aggregate share capital that may need to be increased on the conversion or exchange of all such securities may not be higher than: (a) one-third of the share capital as at the date of passing this resolution (such amount to be reduced by the amount that the share capital has been

increased under paragraph (a) of Resolution 10); and (b) a further one-sixth of the share capital as at the date of passing this resolution in connection with an offer by way of a rights issue in accordance with the Listing Rules made under Part IV of the United Kingdom Financial Services and Markets Act 2000 (such amount to be reduced by the amount that the share capital has been increased under paragraph (b) of Resolution 10). Establishment of the criteria for determining the basis for and terms and conditions applicable to the conversion or exchange. Authorisation to the Board of Directors, with the express power of substitution, to develop the basis for and terms and conditions applicable to the conversion or exchange of such securities, as well as to increase the share capital by the required amount on the conversion.

- 12.- Authorisation to the Board of Directors, with the express power of substitution, to exclude pre-emptive rights in connection with the capital increases and the issuances of convertible or exchangeable securities that the board of directors may approve under the authority given under Resolutions 10 and 11 for the purposes of allotting shares or convertible or exchangeable securities in connection with a rights issue in accordance with the Listing Rules made under Part IV of the United Kingdom Financial Services and Markets Act 2000 or in any other circumstances subject to an aggregate maximum nominal amount of the shares so allotted and that may be allotted on conversion or exchange of such securities of five per cent. of the share capital as at the date of passing this resolution.
- 13.- Approval of the allotment of a maximum number of shares of the Company for share awards (including the awards to executive directors) under the IAG Performance Share Plan (PSP) and the IAG Incentive Award Deferral Plan (IADP), in relation to the remuneration for the 2015, 2016, 2017 and 2018 financial years.
- 14.- Delegation of powers to formalise and execute all resolutions adopted by the shareholders at this Shareholders' Meeting, for conversion thereof into a public instrument, and for the interpretation, correction and supplementation thereof or further elaboration thereon until the required registrations are made, if applicable.

The call notice will be published in the form required by the law and the Corporate Bylaws.

From the publication of the call notice, the call notice and the proposed resolutions prepared by the Board of Directors, together with the remaining documentation relating to the Shareholders' Meeting, shall be available to shareholders at the registered office (El Caserío, Iberia Zona Industrial nº 2 (La Muñoza), Camino de La Muñoza, s/n, 28042 Madrid), at the Shareholder Office (IAG) (calle Martínez Villergas, 49, 28027 Madrid) and on the corporate website of the Company (www.iairgroup.com).

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Álvaro López-Jorrín Hernández
Secretary of the Board of Directors