DECEMBER 2011 - GROUP TRAFFIC AND CAPACITY STATISTICS

- In December 2011, Group traffic measured in Revenue Passenger Kilometres rose by 12.2 per cent versus December 2010; capacity measured in Available Seat Kilometres was up 11.5 per cent.
- Group premium traffic for the month of December grew by 13.6 per cent compared to the previous year, with 12.0 per cent growth in non-premium traffic.
- Overall figures were positively impacted by the non-recurrence of poor weather in December last year, which particularly affected British Airways.
- In December, Iberia pilots' union went on strike for two days: Iberia operated 68 and 64 per cent of its flights on December 18th and 29th, respectively.
- Underlying market conditions appear unchanged, but there was a significant reduction in Iberia's short haul premium traffic compared to last year, influenced by the strikes during the month and the weakening economic environment.

January 5th, 2012

STRATEGIC DEVELOPMENTS

On December 22nd, IAG and Lufthansa reached a binding agreement for IAG to acquire bmi for £172.5 million in cash, though the price is subject to significant reductions. The deal requires competition clearance.

Rising UK Air Passenger Duty has led British Airways to reduce its recruitment levels in 2012. It will now only create 400 extra jobs rather than the 800 previously planned. The airline will also postpone plans to bring an extra Boeing 747 into service in summer 2012, and review the use of two others.

Iberia has begun to recruit pilots for its new subsidiary Iberia Express with more than 1,600 applying so far.

Group Performance

	Month of December			Year to Date		
	2011	2010	Change	2011	2010	Change
Passengers Carried ('000s)	**3,880**	**3,526**	***10.0%***	**51,687**	**50,600**	***2.1%***
Domestic (UK & Spain)	758	797	*-4.9%*	10,845	12,388	*-12.5%*
Europe	1,585	1,362	*16.4%*	22,349	21,098	*5.9%*
North America	630	518	*21.6%*	8,026	7,146	*12.3%*
Latin America & Caribbean	399	375	*6.4%*	4,774	4,314	*10.7%*
Africa, Middle East & S.Asia	388	359	*8.1%*	4,176	4,263	*-2.0%*
Asia Pacific	120	115	*4.3%*	1,517	1,391	*9.1%*
Revenue Passenger Km (millions)	**13,549**	**12,077**	***12.2%***	**168,617**	**157,323**	***7.2%***
Domestic (UK & Spain)	484	511	*-5.3%*	6,747	7,642	*-11.7%*
Europe	1,874	1,670	*12.2%*	27,584	26,660	*3.5%*
North America	4,235	3,434	*23.3%*	53,950	47,736	*13.0%*
Latin America & Caribbean	3,326	3,078	*8.1%*	39,372	35,532	*10.8%*
Africa, Middle East & S.Asia	2,395	2,193	*9.2%*	25,427	25,336	*0.4%*
Asia Pacific	1,235	1,191	*3.7%*	15,537	14,417	*7.8%*
Available Seat Km (millions)	**17,471**	**15,676**	***11.5%***	**213,193**	**199,032**	***7.1%***
Domestic (UK & Spain)	664	753	*-11.8%*	9,157	10,510	*-12.9%*
Europe	2,707	2,486	*8.9%*	36,956	35,954	*2.8%*
North America	5,316	4,407	*20.6%*	66,163	58,921	*12.3%*
Latin America & Caribbean	4,113	3,764	*9.3%*	47,605	42,294	*12.6%*
Africa, Middle East & S.Asia	3,091	2,827	*9.3%*	33,791	33,857	*-0.2%*
Asia Pacific	1,580	1,439	*9.8%*	19,521	17,496	*11.6%*
Passenger Load Factor (%)	**77.6**	**77.0**	***+0.6 pts***	**79.1**	**79.0**	***+0.1 pts***
Domestic (UK & Spain)	72.9	67.9	*+5.0 pts*	73.7	72.7	*+1.0 pts*
Europe	69.2	67.2	*+2.0 pts*	74.6	74.2	*+0.4 pts*
North America	79.7	77.9	*+1.8 pts*	81.5	81.0	*+0.5 pts*
Latin America & Caribbean	80.9	81.8	*-0.9 pts*	82.7	84.0	*-1.3 pts*
Africa, Middle East & S.Asia	77.5	77.6	*-0.1 pts*	75.2	74.8	*+0.4 pts*
Asia Pacific	78.2	82.8	*-4.6 pts*	79.6	82.4	*-2.8 pts*
Cargo and Total Capacity (millions)						
Cargo Tonne Km	527	483	*9.1%*	6,156	5,907	*4.2%*
Total Revenue Tonne Km	1,828	1,640	*11.5%*	22,193	20,862	*6.4%*
Available Tonne Km	2,464	2,214	*11.3%*	30,050	27,996	*7.3%*
Overall Load Factor	74.2	74.1	*+0.1 pts*	73.9	74.5	*-0.6 pts*

Performance by Airline

	Month of December			Year to Date		
	2011	*2010*	Change	2011	*2010*	Change
IBERIA						
Revenue Passenger Km (millions)	3,919	3,992	*-1.8%*	51,268	51,242	*0.1%*
Available Seat Km (millions)	4,997	5,093	*-1.9%*	63,042	62,312	*1.2%*
Cargo Tonne Km (millions)	123	137	*-10.2%*	1,363	1,314	*3.7%*
BRITISH AIRWAYS						
Revenue Passenger Km (millions)	9,630	8,084	*19.1%*	117,348	106,082	*10.6%*
Available Seat Km (millions)	12,475	10,582	*17.9%*	150,152	136,721	*9.8%*
Cargo Tonne Km (millions)	404	346	*16.8%*	4,793	4,593	*4.4%*