

INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.

NOTICE OF RELEVANT FACT

Madrid, August 19, 2013.

An Extraordinary General Shareholders' Meeting of INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A. has been called to be held in Madrid, at Hotel Meliá Barajas, Avda. de Logroño 305, 28042 Madrid, on September 25, 2013 at 1600 hours (CET), on first call and on the following day, September 26, 2013, at the same time and venue, on second call. Shareholders are informed that the Shareholders' Meeting will be held on second call.

The Shareholders' Meeting is called in accordance with the following agenda:

- 1.- Approval of the proposed purchase of 18 Boeing 787 aircraft by British Airways Plc.
- 2.- Approval of the proposed purchase of 18 Airbus A350 aircraft by British Airways Plc.
- 3.- Approval of the proposed purchase of 30 Airbus A320ceo aircraft and 32 Airbus A320neo aircraft by Vueling Airlines, S.A.
- 4.- Appointment of Mr. Enrique Dupuy de Lôme Chávarri as a director, classified as executive director.
- 5.- Delegation of powers to formalise and execute all resolutions adopted by the shareholders at this Shareholders' Meeting.

The call notice and the proposed resolutions submitted to the Shareholders' Meeting by the Board of Directors are attached to this notice. The call notice is published on the date hereof in the Company's website (www.iairgroup.com) and, in the following days, will be also published in the *Boletín Oficial del Registro Mercantil*.

The call notice and the proposed resolutions submitted by the Board of Directors, together with the remaining documentation relating to the Shareholders' Meeting, shall be available to shareholders at the registered office and on the Company's website (www.iairgroup.com).

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Fernando Vives Ruiz
Secretary of the Board of Directors

INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.
Shareholders' Meeting

Pursuant to a resolution by the Board of Directors, the Shareholders' Meeting of International Consolidated Airlines Group, S.A. (the "**Company**") is called to be held in Madrid, at Hotel Meliá Barajas, Avda. de Logroño 305, 28042 Madrid, on September 25, 2013 at 1600 hours (CET), on first call and on the following day, September 26, 2013, at the same time and venue, on second call. Shareholders are informed that the Shareholders' Meeting will be held on second call.

The Shareholders' Meeting is called in accordance with the following

AGENDA

- 1.- Approval of the proposed purchase of 18 Boeing 787 aircraft by British Airways Plc.
- 2.- Approval of the proposed purchase of 18 Airbus A350 aircraft by British Airways Plc.
- 3.- Approval of the proposed purchase of 30 Airbus A320ceo aircraft and 32 Airbus A320neo aircraft by Vueling Airlines, S.A.
- 4.- Appointment of Mr. Enrique Dupuy de Lôme Chávarri as a director, classified as executive director.
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BOARD RECOMMENDATION

The Board of Directors considers that each resolution to be proposed at the Shareholders' Meeting is in the best interests of the shareholders of the Company taken as a whole and recommends that shareholders vote in favour of each of such resolutions, as the directors intend to do in respect of their own holdings of shares.

RIGHT TO PROPOSE RESOLUTIONS

Shareholders representing at least five per cent. of the capital stock may submit reasoned proposals for resolutions on items already included or to be included on the agenda. This right must be exercised by serving duly authenticated notice (including the relevant documentation evidencing shareholder status) which must be received at the registered office (calle Velázquez, 130, 28006 Madrid), marked for the attention of the Shareholder Office (IAG) within five days after the publication of this call notice.

RIGHT TO INFORMATION

The following documents are available on the Company's website (www.iairgroup.com) both in Spanish and English.

- the complete wording of the proposed resolutions prepared by the Board of Directors in relation to the items on the agenda, including the following information in relation to item 4 on the agenda: professional profile and biographical data of the director whose appointment is proposed to the Shareholders' Meeting and the shares of the Company, and derivative financial instruments whose underlying assets are shares of the Company, held by such person; and
- the circular to shareholders prepared by the Company relating to the proposed resolutions under items 1, 2 and 3 on the agenda and dated August 19, 2013.

Until the seventh day before the scheduled date for holding the Shareholders' Meeting, that is, until September 19, 2013, considering that the Shareholders' Meeting will be held on second call, shareholders may request any information or clarification they consider necessary, or submit in writing any questions they consider should be asked, concerning the items on the agenda or any publicly available information provided by the Company to the CNMV (the Spanish Securities Market Commission) since the holding of the last Shareholders' Meeting, i.e. since June 20, 2013. Any requests for information or clarification and the submission of questions must be sent in writing and handed in directly at the registered office (calle Velázquez, 130, Madrid - Shareholder Office (IAG), Monday to Friday, from 0900 to 1700 (CET)) or sent by post (to the above address) or by e-mail (to the e-mail address: shareholder.services@iairgroup.com (English) or accionistas@iairgroup.com (Spanish)), mentioning the name of the shareholder making the request and the address for the purpose of replying.

RIGHT TO ATTEND AND RIGHT OF REPRESENTATION

Shareholders who have shares entered in their name on the relevant record of book entries at least five days before the date scheduled for the Shareholders' Meeting, that is, not later than September 20, 2013, considering that the Shareholders' Meeting will be held on second call, and evidence this by producing the appropriate attendance, proxy and remote vote card or certificate issued by one of the participating entities of the agency which manages said accounting register or in any other manner permitted by legislation in force, will be entitled to attend the Shareholders' Meeting in a speaking and voting capacity.

Holders of CREST Depository Interests (CDI) representing shares in the Company will not be entitled to attend or vote or exercise other shareholder rights at the Shareholders' Meeting unless they have been appointed as proxy to attend and speak at the Shareholders' Meetings and to vote the underlying shares to which such holder is entitled. Further information on the requirements for CDI holders to appoint proxies is set out in this call notice.

All shareholders authorised to attend the Shareholders' Meeting may appoint any other person to represent them by fulfilling the requirements and formalities laid down to this end.

Attendance, proxy and remote vote cards, along with all other necessary documents relating to the Shareholders' Meeting, will be issued and sent out by the Company to the addresses or electronic addresses of the shareholders, as they appear on the Company's share register book. Attendance, proxy and remote vote card forms, along with all other necessary documents relating to the Shareholders' Meeting, will also be available on the Company's website (www.iairgroup.com).

In order for the proxy to be valid, it must be accepted by the proxy-holder. Save for the provisions regarding remote proxies, proxy-holders must record their acceptance on the attendance, proxy and remote vote card that has been signed as required by the proxy-holder. This notwithstanding, all of the Board members have stated their personal decision to accept and carry out all proxies conferred on them, meaning that it will not be necessary for them to sign each individual attendance, proxy and remote vote card appointing them as proxies in order to leave record of their acceptance.

PROXIES AND VOTING BY REMOTE MEANS

Shareholders may appoint proxies or cast their vote prior to the Shareholders' Meeting using the following remote means of communication:

- a) By post: by sending their original attendance, proxy and remote vote card, with the relevant section duly completed and signed, to the Company at the registered office: calle Velázquez, 130, 28006 Madrid – Shareholder Office (IAG).
- b) Electronically: on the Company's website (www.iairgroup.com), by following the instructions given and using their electronic DNI (DNIe) or their digital signature based on a recognised and valid certificate issued by the Spanish Public Certification Entity (CERES) attached to *Fábrica Nacional de Moneda y Timbre*.

Proxies appointed or remote votes cast using any of the remote means set out above must be received by the Company not later than midnight on the day immediately preceding the date scheduled for the Shareholders' Meeting that is, not later than midnight (CET) September 25, 2013, considering that the Shareholders' Meeting will be held on second call. Otherwise, proxies will be considered not to have been appointed for the meeting or remote votes will be considered not issued.

Attendance at the Shareholders' Meeting by the represented shareholder, whether in person or by having voted using remote means, will revoke the appointment of a proxy, regardless of the date of the proxy appointment.

The Company will not be liable for any loss caused to shareholders as a result of malfunctions, overloads, line failures, connection failures or any other contingency of

the same or a similar nature, beyond the control of the Company, that prevent the use of electronic mechanisms. The Company also reserves the right to modify, suspend, cancel or restrict the procedures for electronic voting and/or proxies where technical or security reasons make this necessary or obligatory. It is exclusively the responsibility of shareholders to keep their electronic certificates safe. The Company will not be liable for any loss caused to shareholders as a result of failures or delays caused by deficiencies in the postal service beyond the control of the Company.

CDI holders may issue instructions for the appointment of proxies in accordance with the instructions set out in this notice.

CDI HOLDERS

CDI holders who wish to attend the Shareholders' Meeting and vote the underlying shares to which such holder is entitled must complete and return a form of instruction to Computershare Investor Services PLC ("**Computershare**"), by 1500 (BST) on September 20, 2013, to appoint themselves as a proxy. Persons who hold an interest in CDIs through the IAG Nominee Service operated by Computershare Company Nominees Limited and who wish to attend the Shareholders' Meeting must complete and return a form of instruction to Computershare, by 1500 (BST) on September 20, 2013, to appoint themselves as a proxy. Computershare shall send a form of instruction, along with all other necessary documents relating to the Shareholders' Meeting, to the registered address or electronic address held by Computershare for each person who holds CDIs or an interest in CDIs through the IAG Nominee Service. Further information is available for CDI holders or persons who hold an interest in CDIs through the IAG Nominee Service from Computershare on + 44 87 0702 0110, Monday to Friday, from 0900 to 1700 (BST).

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a *CREST Proxy Instruction*) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Computershare (ID number 3RA50) by the close of business on September 19, 2013. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which Computershare is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to

proxies appointed through CREST should be communicated to the appointee through other means.

SHAREHOLDERS' ELECTRONIC FORUM

Pursuant to the legislation in force, the Company has set up on its website (www.iairgroup.com) a Shareholders' Electronic Forum, which will be used in keeping with its legal purpose and the safeguards and operating rules established by the Company, and may be accessed by all appropriately authorised shareholders and shareholders' associations.

DATA PROTECTION

Any personal data that the shareholders may provide to the Company (when exercising or delegating their rights to information, attendance, and representation and to vote at the Shareholders' Meeting) or that may be provided by the depository institutions or custodians for the shares of the shareholders or the institutions required by securities market legislation to keep records of securities represented by book entries, will be processed by the Company for the purpose of managing the performance, fulfilment and monitoring of shareholder relations (including but not limited to, calling and holding Shareholders' Meetings and relaying them). For these purposes, the data will be included in filing systems controlled by the Company. The data will be provided to the notary's office for the purposes of drawing up the notarised minutes of the Shareholders' Meeting.

Data subjects will have the right to access, rectify, object to and cancel the data collected by the Company in all cases and where legally permitted. These rights may be exercised, on the terms and in accordance with, the requirements established for this purpose in the legislation in force, by applying in writing to the registered office (calle Velázquez, 130, 28006 Madrid - Shareholder Office (IAG)).

Where the attendance, proxy and remote vote card contains personal data concerning other individuals, the shareholder must inform them of the terms set out in the preceding paragraphs and fulfil any other requirements that may be applicable for the correct disclosure of the personal data to the Company, without the Company having to perform any further steps.

ADDITIONAL INFORMATION

In order to obtain additional information on this Shareholders' Meeting, shareholders may contact the Shareholder Office (IAG) located at calle Velázquez, 130, Madrid in person, by phone on +34 915 878 974 between 0900 and 1700 (CET), Monday to Friday, or by e-mail at the following addresses: institutional investors: investor.relations@iairgroup.com and private shareholders: shareholder.services@iairgroup.com (English) or accionistas@iairgroup.com (Spanish).

PRESENCE OF A NOTARY AT THE SHAREHOLDERS' MEETING

The Board of Directors has resolved to request the presence of a notary to draw up the minutes of the Shareholders' Meeting, in accordance with the provisions of Article 203 of the Companies Law.

Madrid, August 19, 2013. The Secretary of the Board of Directors, Mr Fernando Vives Ruiz.

**RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS OF
INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A. TO THE 2013
EXTRAORDINARY SHAREHOLDERS' MEETING**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you are recommended to seek your own financial or professional advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser.

If you sell or have sold or otherwise transferred all of your shares in International Consolidated Airlines Group, S.A. before September 20, 2013, please forward this document and any accompanying documentation as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of shares, you should retain this document and the accompanying documentation, and you should consult with the bank, stockbroker or other agent through whom the sale or transfer was effected.

1. APPROVAL OF THE PROPOSED PURCHASE OF 18 BOEING 787 AIRCRAFT BY BRITISH AIRWAYS PLC.

PROPOSED RESOLUTION:

RESOLUTION 1

“To approve the proposed purchase of 18 Boeing 787 aircraft by British Airways Plc on the terms and conditions described in the circular dated August 19, 2013.”

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2. APPROVAL OF THE PROPOSED PURCHASE OF 18 AIRBUS A350 AIRCRAFT BY BRITISH AIRWAYS PLC.

PROPOSED RESOLUTION:

RESOLUTION 2

“To approve the proposed purchase of 18 Airbus A350 aircraft by British Airways Plc on the terms and conditions described in the circular dated August 19, 2013.”

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3. APPROVAL OF THE PROPOSED PURCHASE OF 30 AIRBUS A320CEO AIRCRAFT AND 32 AIRBUS A320NEO AIRCRAFT BY VUELING AIRLINES, S.A.

PROPOSED RESOLUTION:

RESOLUTION 3

“To approve the proposed purchase of 30 Airbus A320ceo aircraft and 32 Airbus A320neo aircraft by Vueling Airlines, S.A. on the terms and conditions described in the circular dated August 19, 2013.”

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4. APPOINTMENT OF MR. ENRIQUE DUPUY DE LÔMÉ CHÁVARRI AS A DIRECTOR, CLASSIFIED AS EXECUTIVE DIRECTOR.

EXPLANATION:

In this resolution the Board of Directors proposes to the Shareholders' Meeting the appointment of Mr. Enrique Dupuy de Lôme Chávarri as a director, classified as executive director, upon proposal of the Nominations Committee. Mr. Enrique Dupuy de Lôme Chávarri is the Chief Financial Officer of the Company.

- Professional profile and biographical data of Mr. Enrique Dupuy de Lôme Chávarri:

Enrique Dupuy became chief financial officer of IAG in January 2011, joining from Iberia where he was chief financial officer from 1990. He is responsible for the company's financial strategy and development, investor relations, treasury and financial risk management, group investments, accounting and audit.

As Iberia's chief financial officer he led areas such as finance, investment and procurement. Between 2007 and 2009, he also played a leading part in Iberia's strategic planning.

He currently sits on the boards of Amadeus, British Airways and Iberia, as well as being chairman of Iberia Cards.

Prior to joining Iberia, he was head of finance and deputy director of financial resources at INI (Instituto Nacional de Industria) and Teneo financial group. He was also previously head of subsidiaries at Enadimsa (INI Group).

Enrique has a degree in mining engineering from Universidad Politécnica de Madrid, and completed a Master's degree in economics and business administration at IESE (Barcelona) and a Master's degree in european studies at CEU (Madrid).

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held: Mr. Enrique Dupuy de Lôme Chávarri owns 100 shares in IAG. In addition, he has interests in shares as a result of share options and awards made pursuant to the IAG share schemes as detailed below:

<i>Plan</i>	<i>Date of grant / award</i>	<i>Exercise Price</i>	<i>Earliest exercise/ vesting date</i>	<i>Expiry date</i>	<i>Shares under option/ within award</i>
PSP 2011	March 31, 2011	n/a	Subject to satisfaction of performance conditions	n/a	249,350
IADP 2012	August 3, 2012	n/a	August 3, 2015	n/a	37,267

<i>Plan</i>	<i>Date of grant / award</i>	<i>Exercise Price</i>	<i>Earliest exercise/ vesting date</i>	<i>Expiry date</i>	<i>Shares under option/ within award</i>
PSP 2012	August 3, 2012	n/a	Subject to satisfaction of performance conditions	n/a	372,670
IADP 2013	March 6, 2013	n/a	March 6, 2016	n/a	62,241
PSP 2013	March 6, 2013	n/a	Subject to satisfaction of performance conditions	n/a	248,963

PROPOSED RESOLUTION:

RESOLUTION 4

“To appoint Mr. Enrique Dupuy de Lôme Chávarri as a director for the by-law mandated three-year term, upon proposal of the Nominations Committee, with the status of executive director.”

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5. DELEGATION OF POWERS TO FORMALISE AND EXECUTE ALL RESOLUTIONS ADOPTED BY THE SHAREHOLDERS AT THIS SHAREHOLDERS' MEETING.

PROPOSED RESOLUTION:

RESOLUTION 5

“To confer authority on, and to delegate powers to, the Board of Directors, with the express power of substitution, to the fullest extent permitted by law, to execute the foregoing resolutions, including: (i) to do all such things and procure that all such things are done, as may be necessary or expedient to complete or give effect to, or otherwise in connection with, the proposed purchases approved in the previous resolutions, and any other agreements or arrangements ancillary or incidental to them; and (ii) to agree to such modifications, variations, revisions, waivers or amendments to the proposed purchases approved in the previous resolutions provided such modifications, variations, waivers or amendments are not material, in either such case as it may in its absolute discretion think fit.”

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August 2013