

JULY 2017 - GROUP TRAFFIC AND CAPACITY STATISTICS

- Group traffic in July, measured in Revenue Passenger Kilometres, increased by 0.7 per cent versus July 2016; Group capacity measured in Available Seat Kilometres rose by 1.1 per cent.
- Group premium traffic for the month of July increased by 3.1 per cent compared to the previous year.

3 August 2017

STRATEGIC DEVELOPMENTS

On 24 July, IAG announced that it had converted three Airbus A330-200 longhaul aircraft options into firm orders for LEVEL. The aircraft will be delivered in summer 2018 and will facilitate LEVEL's expansion.

On 19 July, Iberia relaunched its Madrid-Barcelona air bridge shuttle. The new service is operated jointly with Vueling and offers up to 26 daily frequencies between both cities. Customers can book their flights in advance or buy tickets on the day with full flexibility to change their travel plans.

As part of British Airways £400m customer investment plan, the airline announced its partnership with luxury lifestyle brand, The White Company to supply bedding and amenity kits in Club World. In addition, nearly 200,000 customers have used British Airways' new exclusive check-in area for First, Gold Executive Club and oneworld Emerald customers at Heathrow Terminal 5, since it opened in April 2017.

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This announcement contains inside information and is disclosed in accordance with the company's obligations under the Market Abuse Regulation (EU) No 596/2014.

Enrique Dupuy, Chief Financial Officer

Forward-looking statements:

Certain statements included in this report are forward-looking and involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such forward-looking statements.

Forward-looking statements can typically be identified by the use of forward-looking terminology, such as "expects", "July", "will", "could", "should", "intends", "plans", "predicts", "envisages" or "anticipates" and include, without limitation, any projections relating to results of operations and financial conditions of International Consolidated Airlines Group S.A. and its subsidiary undertakings from time to time (the 'Group'), as well as plans and objectives for future operations, expected future revenues, financing plans, expected expenditures and divestments relating to the Group and discussions of the Group's Business plan. All forward-looking statements in this report are based upon information known to the Group on the date of this report. The Group 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 forward-looking statements in this report 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 of the business and the risk management process of the Group is given in the Annual Report and Accounts 2016; these documents are available on www.iagshares.com.

Group Performance¹

	Month of July			Year to Date		
	2017	2016	Change	2017	2016	Change
Passengers Carried ('000s)	10,739	10,645	0.9%	59,545	57,321	3.9%
Domestic ²	2,423	2,307	5.0%	13,828	12,994	6.4%
Europe	6,069	6,121	-0.8%	31,943	30,996	3.1%
North America	1,078	1,061	1.6%	6,369	6,181	3.0%
Latin America & Caribbean	443	447	-0.9%	2,786	2,754	1.2%
Africa, Middle East & S,Asia	522	497	5.0%	3,296	3,134	5.2%
Asia Pacific	204	212	-3.8%	1,323	1,262	4.8%
Revenue Passenger Km (m)	24,741	24,571	0.7%	143,898	138,866	3.6%
Domestic	1,662	1,587	4.7%	9,558	8,949	6.8%
Europe	7,387	7,538	-2.0%	37,135	36,247	2.4%
North America	7,183	7,041	2.0%	42,225	40,967	3.1%
Latin America & Caribbean	3,805	3,744	1.6%	23,720	23,045	2.9%
Africa, Middle East & S,Asia	2,657	2,561	3.7%	17,969	17,094	5.1%
Asia Pacific	2,047	2,100	-2.5%	13,291	12,564	5.8%
Available Seat Km (m)	28,623	28,317	1.1%	175,833	171,232	2.7%
Domestic	1,893	1,849	2.4%	11,653	11,210	4.0%
Europe	8,438	8,723	-3.3%	45,674	45,820	-0.3%
North America	8,466	8,116	4.3%	52,042	49,652	4.8%
Latin America & Caribbean	4,388	4,240	3.5%	28,312	27,728	2.1%
Africa, Middle East & S,Asia	3,125	3,044	2.7%	22,488	21,584	4.2%
Asia Pacific	2,313	2,345	-1.4%	15,664	15,238	2.8%
Passenger Load Factor (%)	86.4	86.8	-0.4 pts	81.8	81.1	+0.7 pts
Domestic	87.8	85.8	+2.0 pts	82.0	79.8	+2.2 pts
Europe	87.5	86.4	+1.1 pts	81.3	79.1	+2.2 pts
North America	84.8	86.8	-2.0 pts	81.1	82.5	-1.4 pts
Latin America & Caribbean	86.7	88.3	-1.6 pts	83.8	83.1	+0.7 pts
Africa, Middle East & S,Asia	85.0	84.1	+0.9 pts	79.9	79.2	+0.7 pts
Asia Pacific	88.5	89.6	-1.1 pts	84.9	82.5	+2.4 pts
Cargo Tonne Km (m)						
Cargo CTK	477	447	6.7%	3,263	3,101	5.2%

Performance by Airline

	Month of July			Year to Date		
	2017	2016	Change	2017	2016	Change
vueling						
Revenue Passenger Km (m)	3,323	3,477	-4.4%	16,258	15,622	4.1%
Available Seat Km (m)	3,690	3,986	-7.4%	19,337	18,996	1.8%
Cargo Tonne Km (m)	0	0	n/a	0	0	n/a
Aer Lingus						
Revenue Passenger Km (m)	2,395	2,163	10.7%	11,981	10,581	13.2%
Available Seat Km (m)	2,710	2,447	10.7%	14,871	13,106	13.5%
Cargo Tonne Km (m)	11	11	0.0%	88	73	20.5%
IBERIA						
Revenue Passenger Km (m)	5,419	5,132	5.6%	30,845	28,970	6.5%
Available Seat Km (m)	6,350	5,922	7.2%	37,047	35,565	4.2%
Cargo Tonne Km (m)	97	93	4.3%	608	610	-0.3%
BRITISH AIRWAYS						
Revenue Passenger Km (m)	13,604	13,799	-1.4%	84,814	83,693	1.3%
Available Seat Km (m)	15,873	15,962	-0.6%	104,578	103,565	1.0%
Cargo Tonne Km (m)	369	343	7.6%	2,567	2,418	6.2%

¹ Group performance comprises Aer Lingus, British Airways, Iberia (including Iberia Express) and Vueling. Vueling traffic is currently accounted as non-premium traffic

² Domestic includes routes within UK, Spain, Ireland and Italy