

## INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.

### **IAG agrees convertible loan structure with Globalia**

International Airlines Group (“IAG”) and Globalia have reached an agreement under which IAG will make a €100 million seven-year unsecured loan to Globalia. Subject to any relevant regulatory approvals, IAG will have the option to convert the loan into an up to 20 per cent equity stake in Air Europa.

Luis Gallego, IAG’s chief executive, said:

*“We remain convinced about the strategic importance of this deal to the development and competitiveness of Madrid’s hub. Since we started negotiations, the world has changed. This agreement will give us time to evaluate with exclusivity alternative structures that may be of interest to both companies and offer significant benefits for their customers, employees and shareholders.”*

The agreement is conditional on Globalia receiving approval from syndicated banks that provided the loan agreement partially guaranteed by the Instituto de Crédito Oficial (ICO) and by Sociedad Estatal de Participaciones Industriales (SEPI).

It provides for a period of exclusivity of one year while discussions take place and this is accompanied by a right to match any third party offer for the airline in the next three years, together with a right to exit alongside Globalia should it sell Air Europa at any time in the future.

IAG Investor Relations

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