

INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.

Termination by IAG of the sale and purchase agreement for Air Europa

International Airlines Group ("IAG") today announces its decision to terminate the agreement with Globalia signed on 23 February 2023, pursuant to which IAG agreed to acquire from Globalia the remaining 80 per cent of issued share capital of Air Europa (the "Agreement"). The Board of Directors has concluded that in the current regulatory environment it would not be in the best interests of shareholders to continue with the transaction.

In accordance with the terms of the Agreement, IAG will pay Globalia €50 million as a break fee as a result of the termination.

IAG continues to hold its 20 per cent minority equity stake in Air Europa which it acquired on 16 August 2022.

Luis Gallego, IAG's chief executive, said:

"We believe this decision is in the best interests of our shareholders. IAG remains committed to its strategy, including competing effectively from its Madrid hub. This is a strategy which is delivering strong results. We will continue to develop our presence in Madrid so that the hub can develop as a rival to Europe's largest hub airports."

Nicholas Cadbury
Chief Financial and Sustainability Officer

1 August 2024

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This announcement contains inside information and is disclosed in accordance with the Company's obligations under the Market Abuse Regulation.