



Connecting people, businesses and countries

2023 Full Year results

Disclaimer

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Forward-looking statements:

Certain statements included in this document and any related conference call or webcast (including any related Q&A session) are forward-looking. These statements can be identified by the fact that they do not relate only to historical or current facts. By their nature, they involve risk and uncertainties because they relate to events and depend on circumstances that will occur in the future. Actual results could differ materially from those expressed or implied by such forward-looking statements.

Forward-looking statements often use words such as “expects”, “may”, “believes”, “will”, “could”, “should”, “continues”, “intends”, “plans”, “targets”, “predicts”, “estimates”, “envisages” or “anticipates” or other words of similar meaning or their negatives. They include, without limitation, any and all projections relating to the 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 expenditure, acquisitions and divestments relating to the Group and discussions of the Group’s business plans and its assumptions, expectations, objectives and resilience with respect to climate scenarios. All forward-looking statements in this document and any related conference call or webcast (including any related Q&A session) are based upon information known to the Group on that date and speak as of that date. Other than in accordance with its legal or regulatory obligations, the Group does not undertake to update or revise any forward-looking statement to reflect any changes in events, conditions or circumstances on which any such statement is based.

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Alternative Performance Measures:

This document and any related conference call or webcast (including any related Q&A session) contain, in addition to the financial information prepared in accordance with International Financial Reporting Standards (‘IFRS’) and derived from the Group’s financial statements, alternative performance measures (‘APMs’) as defined in the Guidelines on alternative performance measures issued by the European Securities and Markets Authority (ESMA) on October 5, 2015. The performance of the Group is assessed using a number of APMs. These measures are not defined under IFRS, should be considered in addition to IFRS measurements, may differ to definitions given by regulatory bodies relevant to the Group and may differ to similarly titled measures presented by other companies. They are used to measure the outcome of the Group’s strategy based on ‘Unrivalled customer proposition’, ‘Value accretive and sustainable growth’ and ‘Efficiency and innovation’.

For definitions and explanations of alternative performance measures, refer to the Alternative performance measures section in the IAG Annual report and accounts 2022 ([IAG Annual Report and Accounts 2022 \(iairgroup.com\)](http://www.iairgroup.com)) and the Interim Management Report for the year to 31 December 2023 ([IAG FY 2023 Results \(iairgroup.com\)](http://www.iairgroup.com)). These documents are available on www.iairgroup.com

Highlights

Luis Gallego
Chief Executive Officer

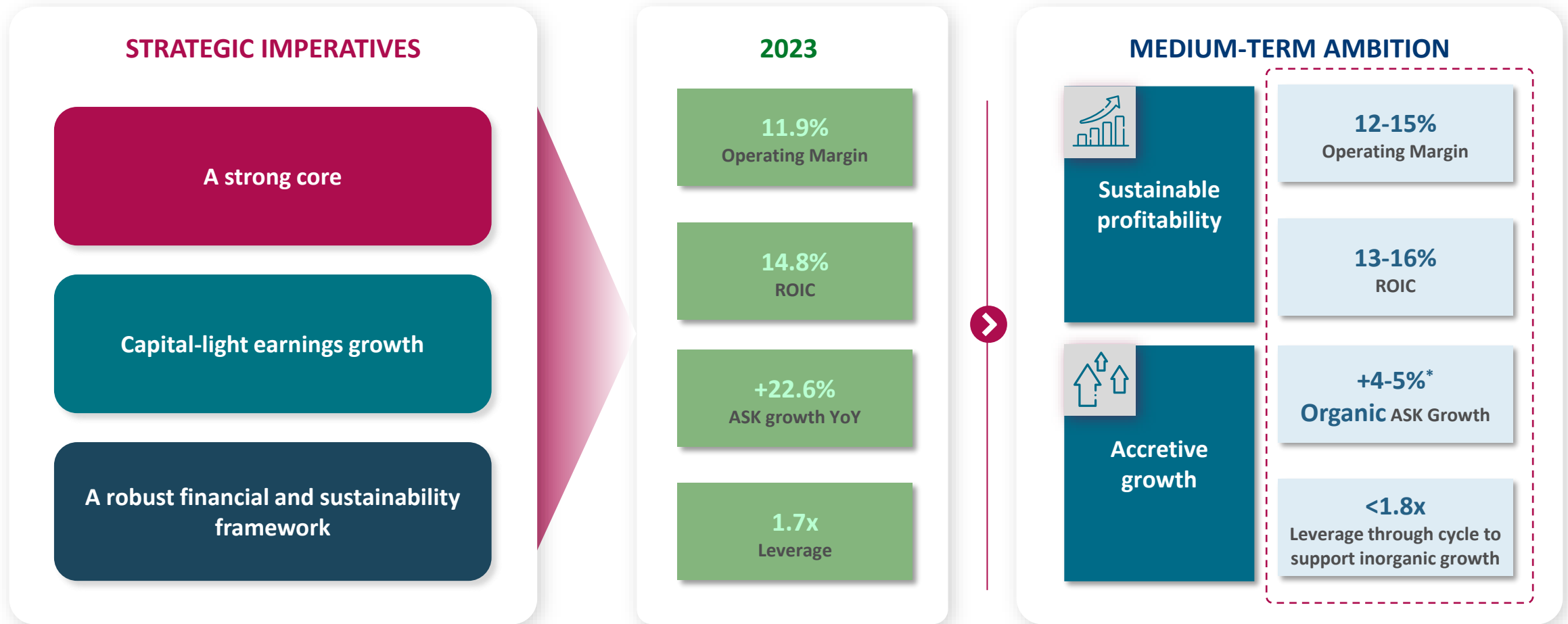
A world-class business

- Strong and sustained demand for travel, particularly in Leisure
- Full year operating profit before exceptional items of €3.5bn, above historical levels (2022: €1.2bn; 2019: €3.3bn*); operating profit margin of 11.9% (2022: 5.4%; 2019: 12.7%)
- Significant free cash flow generation of €1.3bn has delivered a strong balance sheet, with leverage at 1.7x (2022: 3.1x), below our target of 1.8x over the cycle
- Positive outlook for 2024 – significant free cash flow and disciplined capital allocation
- Committed to sustainable shareholder value creation and cash returns

Delivering our strategy in 2023

- Capacity growth of 23% focused on our core North Atlantic and South Atlantic markets
- Revenue and cost transformation driving improvements to our customer proposition
- Our Spanish businesses performed particularly well, delivering €1.4bn of operating profit
- British Airways transformation starting to deliver significant operational improvements in 2024
- IAG Loyalty grew its profit by 17% to £280m, adding 4.9m new members during the year
- Investing in our people, with 13,000 new colleagues hired in 2023
- One third of our Sustainable Aviation Fuel (SAF) target for 2030 now contractually committed





On track to deliver world-class margins and returns



Financial results

Nicholas Cadbury
Chief Financial Officer

Our FY23 key metrics






 Activity	ASKs 323,111m <i>+22.6% vFY22</i>				
 Commercial performance	Total revenue €29,453m <i>+27.7% vFY22</i>	Total pax revenue €25,810m <i>+32.6% vFY22</i>	Pax RASK €7.99c <i>+8.2% vFY22</i>	Load factor 85.3% <i>+3.5pts vFY22</i>	
 Cost performance	Total expenditure €25,946m <i>+18.9% vFY22</i>	Total CASK €8.03c <i>(3.0)% vFY22</i>	Fuel CASK €2.34c <i>+0.7% vFY22</i>	Non-fuel CASK €5.69c <i>(4.4)% vFY22</i>	Airline non-fuel CASK* €5.03c <i>(5.2)% vFY22</i>
 Financial performance	Operating profit €3,507m <i>+€2,260m vFY22</i>	Operating margin 11.9% <i>+6.5pts vFY22</i>	Free Cash Flow* €1,320m <i>+€341m vFY22</i>	Net debt €9,245m <i>€(1,140)m vDec 22</i>	Leverage 1.7x <i>(1.4)x vDec-22</i>

The metrics included in this slide are before exceptional items

The 2022 results include a reclassification to conform with the current year presentation for the Net gain on sale of property, plant and equipment within Operating profit. Accordingly, for the year to 31 December 2022, the Group has reclassified gains of €22 million from Other non-operating credits to Expenditure on operations. There is no impact on the Profit after tax.

*See the APM summary for definition

Strong performance across the Group

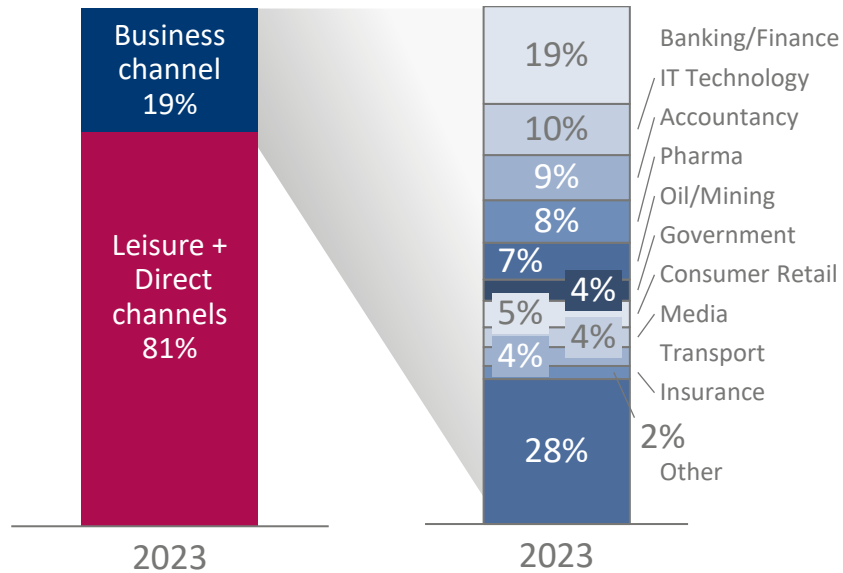
	Aer Lingus 		BRITISH AIRWAYS 		IBERIA 		vueling 		IAG Loyalty 	
	FY 2023 (€m)	vLY	FY 2023 (€m)	vLY	FY 2023 (€m)	vLY	FY 2023 (€m)	vLY	FY 2023 (€m)	vLY
Total revenue	2,274	+28.5%	14,323	+29.9%	6,958	+26.2%	3,198	+23.1%	1,292	+53.3%
Passenger revenue	2,209	+31.5%	12,668	+37.5%	5,262	+30.2%	3,181	+23.1%	837	+47.1%
Operating result before exceptional items	225	+168	1,431	+1,125	940	+551	396	+209	280	+40
Operating margin before exceptional items	9.9%	+6.7pts	10.0%	+7.2pts	13.5%	+6.4pts	12.4%	+5.2pts	21.7%	(6.7)%
ASK (m)	31,572	+20.3%	167,694	+28.1%	75,726	+18.5%	41,708	+10.5%	-	-
PRASK (cts/p)	7.00	+9.4%	7.55	+7.3%	6.95	+9.8%	7.63	+11.4%	-	-
Non-fuel CASK (cts/p)	4.47	(0.1)%	5.41	(9.2)%	5.97	+0.2%	4.54	+2.6%	-	-

Profit after tax and exceptional items of €2.7bn in FY 2023

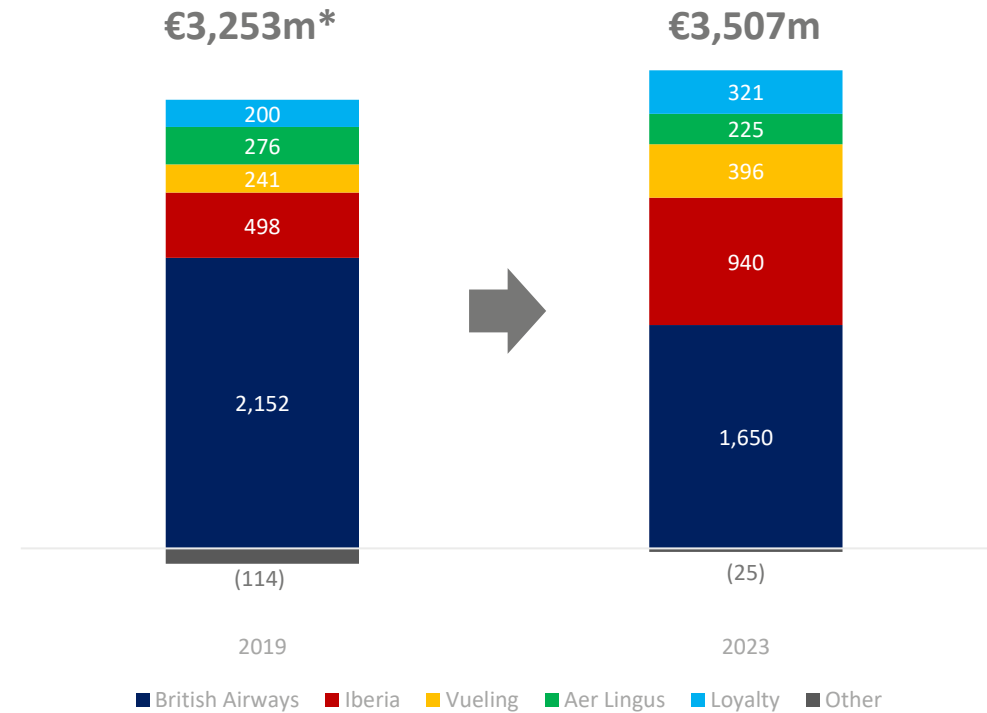
Twelve months to 31 December 2023						
€m	Statutory 2023	Exceptional items	Before exceptional items 2023	Statutory 2022	Exceptional items	Before exceptional items 2022
Revenue	29,453	-	29,453	23,066	-	23,066
Operating costs	25,946	-	25,946	21,788	(31)	21,819
Operating result	3,507	-	3,507	1,278	31	1,247
Finance costs	(1,113)	-	(1,113)	(1,017)	-	(1,017)
Finance income	386	-	386	52	-	52
Net change in fair value of financial instruments	(11)	-	(11)	81	-	81
Net financing credit relating to pensions	103	-	103	26	-	26
Net currency retranslation credits/(charges)	176	-	176	(115)	-	(115)
Other non-operating (charges)/credits	8	-	8	110	-	110
Profit/(loss) before tax	3,056	-	3,056	415	31	384
Tax	(401)	-	(401)	16	(2)	18
Profit/(loss) after tax	2,655	-	2,655	431	29	402

We have high-quality and increasingly diverse earnings

Business and leisure revenue



Operating company operating profit (€m)



1. Business defined as business agencies & Travel Management Companies

2. Corporate industry split reflects BA + IB only

*The 2019 results include a reclassification to conform with the current year presentation for the Net gain on sale of property, plant and equipment within Operating profit and also include a pensions accounting policy change

Strong performance in core markets in 2023

Total		
% v22	ASKs	PRASK
Q4	13.8%	1.7%
FY	22.6%	8.2%

North America		
% v22	ASKs	PRASK
Q4	10.2%	(5.7)%
FY	23.0%	3.5%

Europe		
% v22	ASKs	PRASK
Q4	8.6%	4.7%
FY	15.4%	10.4%

Asia Pacific		
% v22	ASKs	PRASK
Q4	120.8%	(12.1)%
FY	258.0%	5.2%

Domestic		
% v22	ASKs	PRASK
Q4	4.7%	8.2%
FY	7.8%	11.4%

Latin America & Caribbean		
% v22	ASKs	PRASK
Q4	22.7%	(5.1)%
FY	18.8%	8.1%

Africa, Middle East & S Asia		
% v22	ASKs	PRASK
Q4	10.6%	(5.6)%
FY	32.2%	2.0%

- Fourth quarter as expected, reflecting strategic capacity deployment and increased seasonality
- Impact from Middle East conflict on Q4-23 and Q1-24 – now recovering

Cost improvements and investing in future productivity

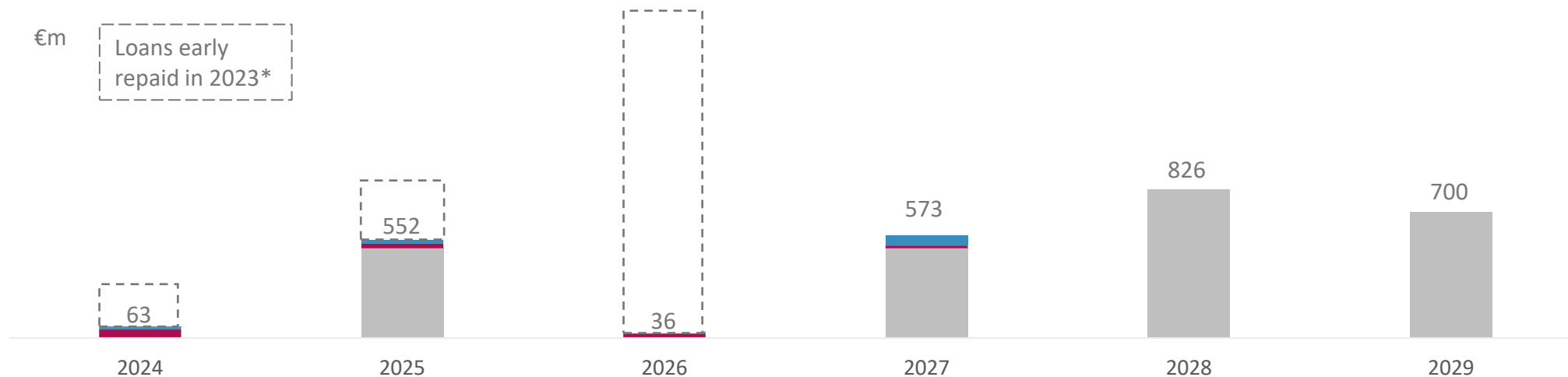
Cost category	FY 2023 CASK (% vly)	FY 2023	FY 2024
Ownership	(18.2)%	Reduction mainly reflecting capacity restoration and aircraft utilisation improvements	<ul style="list-style-type: none"> • Non-fuel CASK expected to increase slightly year on year • Transformation initiatives mitigating inflation • Investing in resilience, especially in British Airways and Aer Lingus • Efficient capacity growth through increased utilisation at Iberia and Vueling • Vueling and Aer Lingus pilot pay deals to be agreed
Supplier	(1.1)%	High inflation and disruption impacts mitigated by Group procurement initiatives	
Employee	(4.8)%	Pay deals agreed with substantial majority of bargaining groups and employees during 2023	
Airline non-fuel	(5.2)%	Driven by passenger capacity increase and transformation initiatives, offsetting inflation, and investments in IT and customer improvements	
Total non-fuel	(4.4)%	Higher than guided due to cost-of-sale impact from strong performance in Iberia third-party MRO	

Strong balance sheet with leverage below our 1.8x target

€m	31 Dec 2019	31 Dec 2022	31 Dec 2023
Gross debt	14,254	19,984	16,082
Bank and other loans	1,954	6,546	2,688
Asset financed and lease liabilities	12,300	13,438	13,394
Cash, cash equivalents and interest-bearing deposits	6,683	9,599	6,837
Net debt	7,571	10,385	9,245
Net debt / EBITDA before exceptional items	1.4x	3.1x	1.7x
Note: Net debt decrease compared to 31 December 2022 includes non-cash movements			
Total liquidity (cash and facilities)	8,615	13,999	11,624

- c.€3.9bn gross debt repaid during 2023 including IAG unsecured bonds; €3.3bn early repaid (UKEF, ICO loans)
- IAG and British Airways both upgraded by S&P to Investment Grade
- Improving our liquidity position by paying off the UKEF loan (£2bn) and replacing it with a more flexible £1bn facility

Maturity profile de-risked with no major short-term payments



Bonds issued by ICAG

- €500 million fixed rate 2.75 per cent bond 2025
- €500 million fixed rate 1.50 per cent bond 2027
- €825 million convertible rate 1.125 per cent bond 2028
- €700 million fixed rate 3.75 per cent bond 2029

Other secured loans

- Floating rate euro mortgage loans secured on aircraft

Other unsecured bonds and loans

- Fixed rate unsecured bonds
- Fixed rate unsecured US dollar mortgage loan
- Fixed rate unsecured euro loans with the Spanish State (Department of Industry)

Strong free cash flow of €1.3bn and positive drivers for 2024

	€m	2023	2024
Operating profit	3,507	ASK grew 22.6% vly	ASK growth around 7% in 2024 and 4-5% over three years 2024-2026
Depreciation	2,063		Increases as investment increases
Working capital	(142)	Impacted by €0.2bn delayed receivables payments	Unwind of 2023 collections timing; increase in revenue
Pension	(30)	No contributions made to NAPS and APS	No additional contributions anticipated
Provisions	237	ETS, net of restructuring and maintenance	ETS increases as credits are phased out
Interest paid	(1,005)	Repayment of expensive debt with average cost of borrowing of c.9%	Lower, to reflect debt repayments in 2023 (c.€200m in Q4 2023)
Interest received	365	Average interest rate of 3.7%	Average rate expected to stay broadly the same
Tax paid	(291)	Cash tax rate of c.10% of profits before tax	Expected cash tax rate continues to benefit from available losses
Other	160	FX and other items	
Net cash from Op activities	4,864		
Gross capex	(3,544)	Slightly lower than planned	€3.7bn in 2024 and average of €4.5bn over 3 years (2024 – 2026)
Free cash flow	1,320		

Well-hedged fuel position - c.65% for 2024

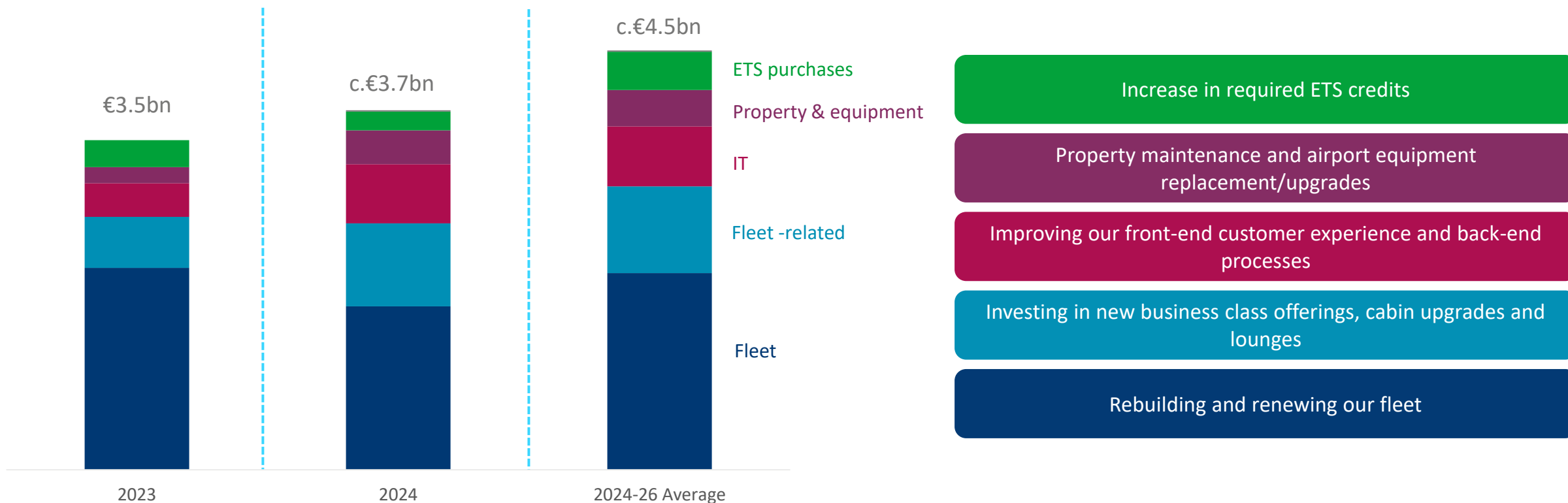
	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Jet fuel price scenario	\$880/mt	\$875/mt	\$835/mt	\$820/mt	\$800/mt	\$790/mt
\$/€ scenario	1.094	1.094	1.094	1.094	1.094	1.094
Hedge ratio	81%	67%	61%	52%	41%	32%
Effective blended price post fuel and FX hedging*	\$865/mt	\$890/mt	\$850/mt	\$840/mt	\$780/mt	\$780/mt

* Note: Effective blended price excluding into-plane cost

	Jet fuel price scenario	FY 2024 Fuel cost
Sensitivity	\$730/mt	c.€7.3bn
	\$780/mt	c.€7.6bn
	\$850/mt	c.€8.1bn
	\$930/mt	c.€8.4bn
	\$980/mt	c.€8.6bn

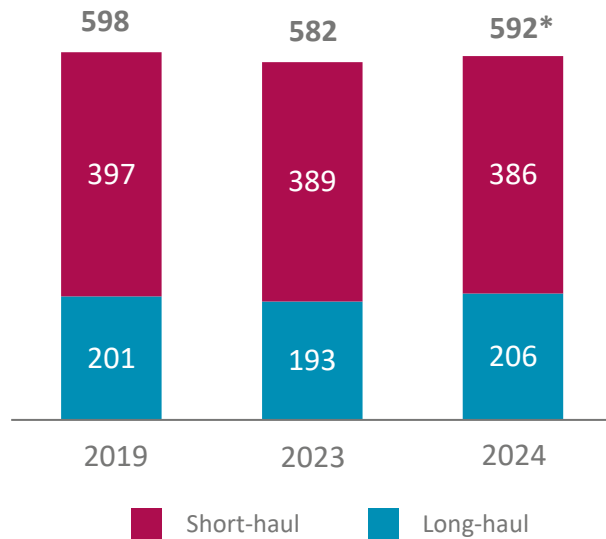
We are investing to deliver sustainable growth and returns

Gross capital expenditure by category (€bn)



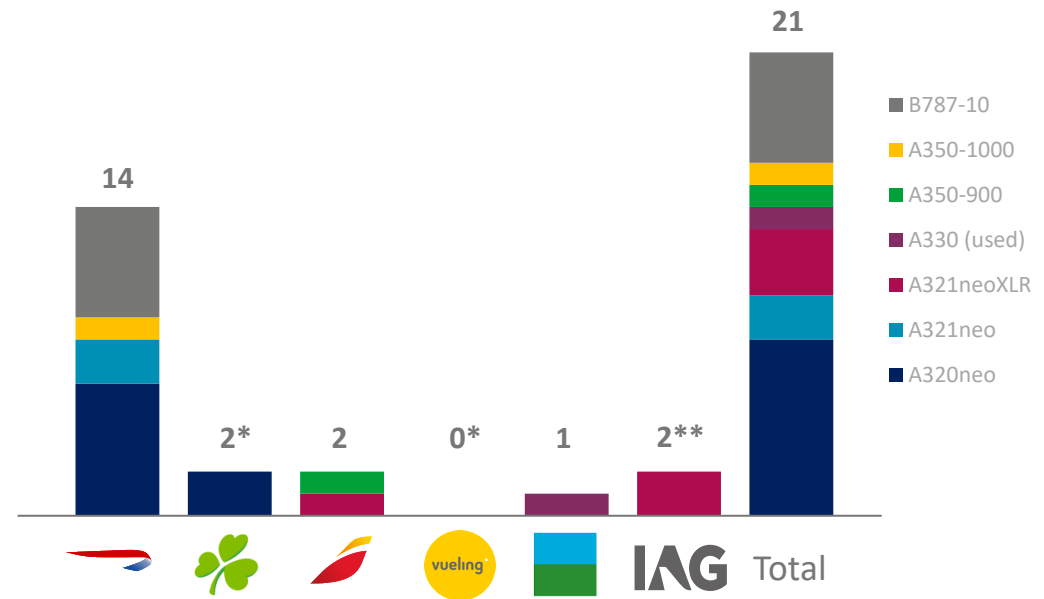
Fleet investment driving network development, customer experience and sustainability

Fleet Size





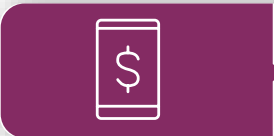
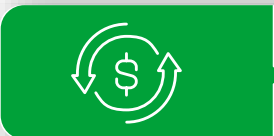

31% new generation aircraft at 31 December 2023

2024 aircraft deliveries



* Sustainable collective labour agreements required to unlock growth opportunities using Group aircraft
 **To be allocated

Capital priorities to support sustainable growth and margins

-  **Maintain balance sheet strength**
-  **Invest in rebuilding our fleet**
-  **Improve customer experience, digital and sustainability**
-  **Commitment to sustainable dividends**
-  **Excess cash returned to shareholders if no inorganic opportunities exist**

Business overview and outlook

An aerial view of a city at sunset, with the sun low on the horizon, casting a warm orange glow. The sky transitions from a deep orange near the horizon to a pale blue at the top. In the foreground, the white wing of an airplane is visible, extending from the left side of the frame towards the center. The city below is dark, with some lights visible, suggesting it is dusk. The entire scene is framed by a circular vignette effect, with the edges of the frame being dark and blurred.

Luis Gallego

Chief Executive Officer

Our strategic framework



Growing our North Atlantic position



- British Airways grew NATL capacity +22% vLY, reinforcing its position as No.1 transatlantic carrier from Europe, serving 31 destinations
- Adding network depth: e.g. more frequencies to San Diego and Chicago
- Efficient, market-specific capacity deployment with A350-1000 and B787-10 deliveries



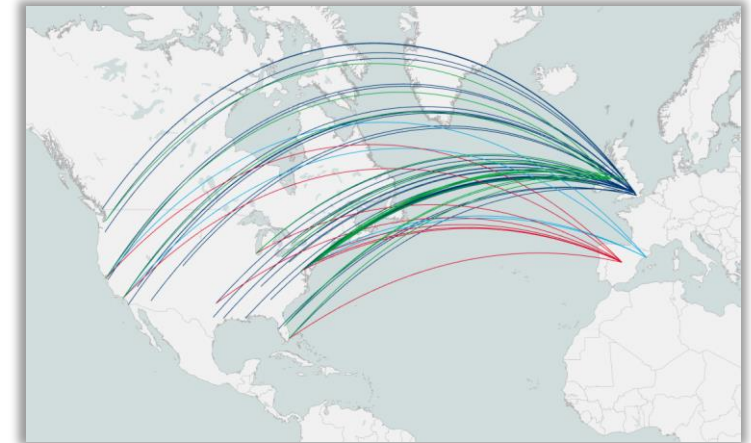
- Aer Lingus focusing its network to maximise US POS opportunity



- A321 XLR opportunity to develop market depth in an efficient way



- No.1 long-haul airline in Barcelona
- Building long-haul low-cost market from Barcelona to Miami, Los Angeles and Boston



c.150 daily flights



45% market share

Investing in the highly-attractive LatAm markets



- Iberia increasing its depth in core cities such as Bogota (3x/daily), Buenos Aires (3x/daily) and Mexico City (3x/daily)
- Significantly more efficient A350-900 fleet: vs previous A340-600; vs competitors (utilisation 15.6 block hrs/day)
- Air Europa acquisition decision expected by end 2024



- Profitable growth from a growing Barcelona market
- New AOC and additional A330 aircraft present opportunities



- More frequencies to Rio de Janeiro and adding a tag to Buenos Aires



c.45 daily flights



32% market share

Leveraging our portfolio of efficient short-haul carriers

Aer Lingus 

BRITISH AIRWAYS 

IBERIA 

vueling 

- Increased average frequencies per week - almost twice as many as our competitors – through increased utilisation
- Strengthen Spanish domestic, investing in Barcelona and Bilbao
- Continue to invest in our International bases, with leading positions in Paris and Spain, increasing in London Gatwick to Spain

IBERIA EXPRESS 

- 1st LCC by number of seats in Madrid
- Leading position connecting Canary and Balearic Islands with Madrid



Euroflyer Cityflyer

- Launched BA Euroflyer in January 2023 to be an efficient point-to-point airline at Gatwick. Grew from 5 to 20 aircraft in 2023
- BA Cityflyer increasing gauge and adding leisure weekend flights

 LEVEL

- Potential vehicle for low-cost short-haul growth

Future growth dependent on sustainable collective agreements

Selective growth in rest of the world, while developing global partnerships

Qatar Joint Business



- **Qatar Joint Business** is now the world's largest joint business by number of countries
- Iberia launched Doha service and joined the Qatar Joint Business in 2023
- British Airways to fly two daily Heathrow - Doha services from April 2024

China Joint Business



- British Airways relaunched Beijing and Shanghai services in the **China Joint Business** with China Southern

Siberian Joint Business



- Iberia restarting Tokyo in the **Siberian Joint Business** and British Airways back to two daily in the Summer



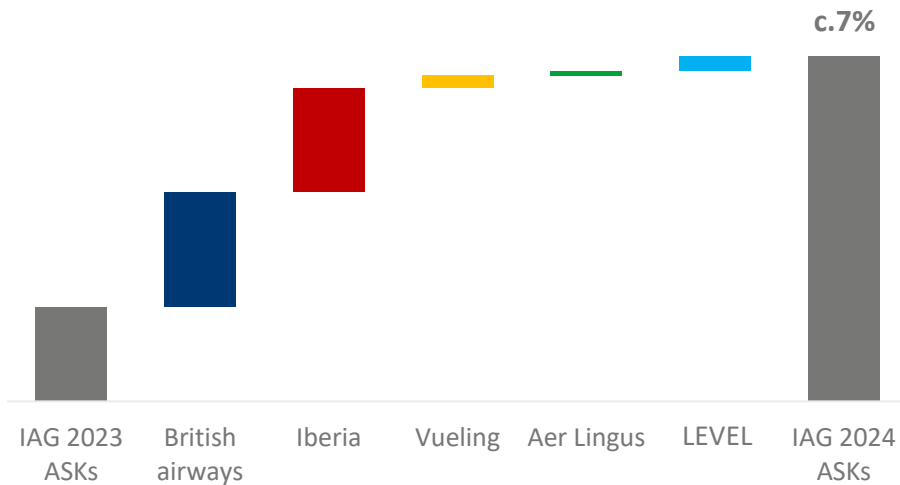
IAG destinations by carrier



Disciplined, efficient capacity growth in 2024

Capacity growth by operating company

% contribution to Group 2024 ASK growth YoY



- IAG growth driven by utilisation, gauge and continued re-building of British Airways' long-haul fleet to pre-pandemic levels
- Vueling, Aer Lingus and Iberia Express growth subject to CBAs being agreed



- Continued re-building of long-haul fleet through new deliveries
- Long-haul fleet will be 4 less than 2019 by the end of 2024
- Short-haul growth from increasing gauge



- Iberia's growth driven by utilisation and new A350/A321 XLR aircraft
- Iberia's long-haul fleet 2 more aircraft than in 2019 by end 2024



- Aer Lingus' investment contingent on pilot agreements
- Opportunities from Dublin



- Vueling investment contingent on collective agreements
- Currently driven by increased utilisation

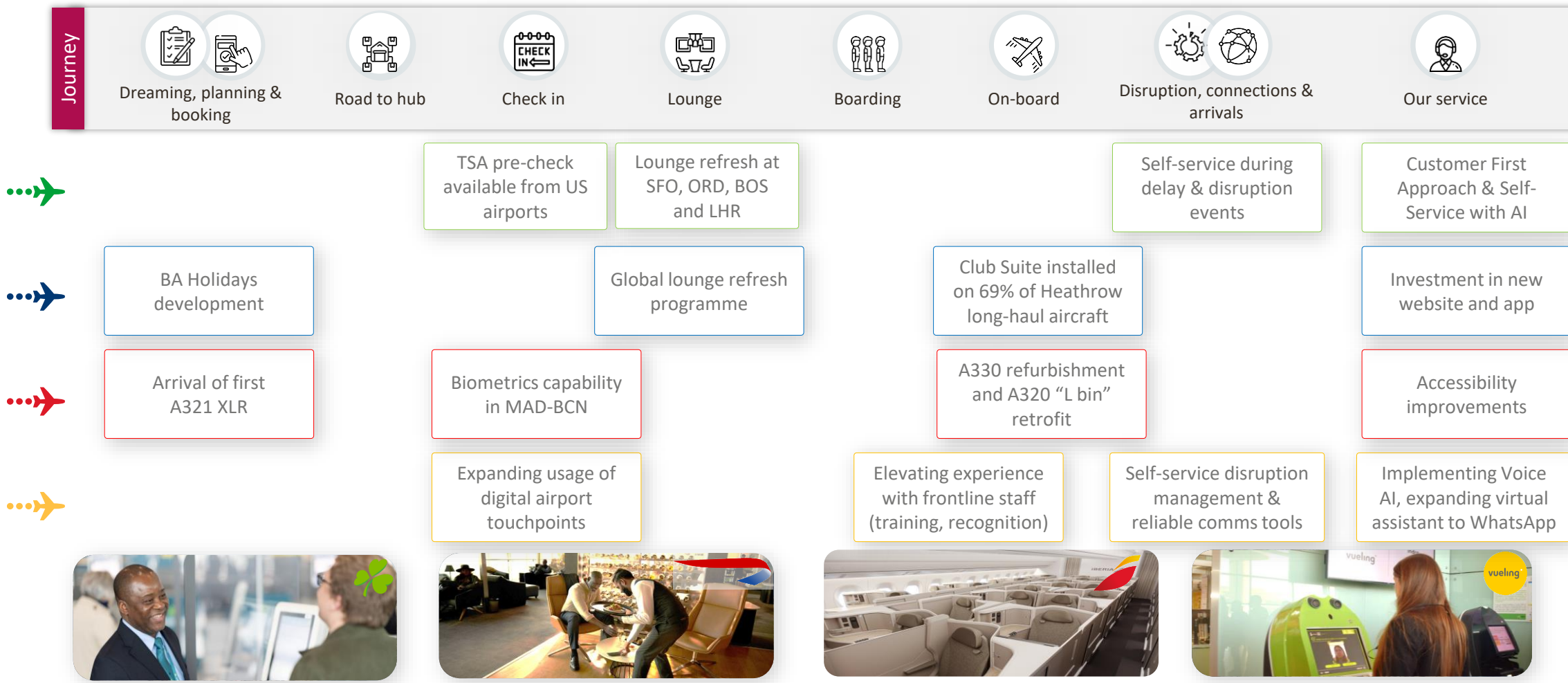


- LEVEL's growth driven by 1³ extra long-haul aircraft

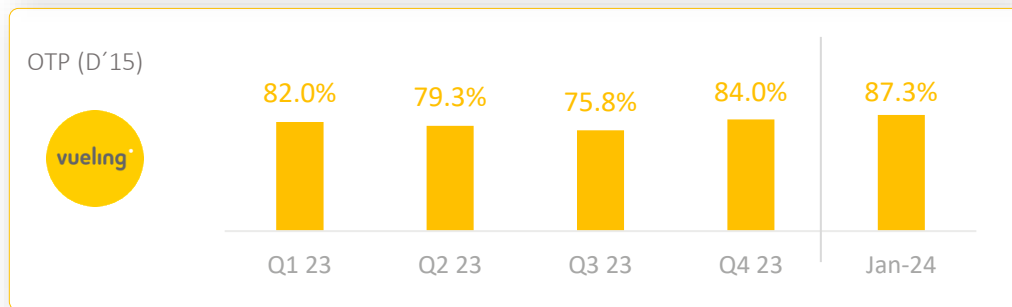
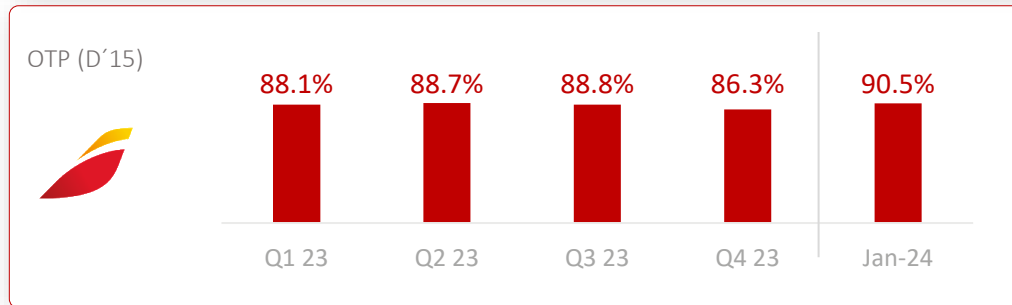
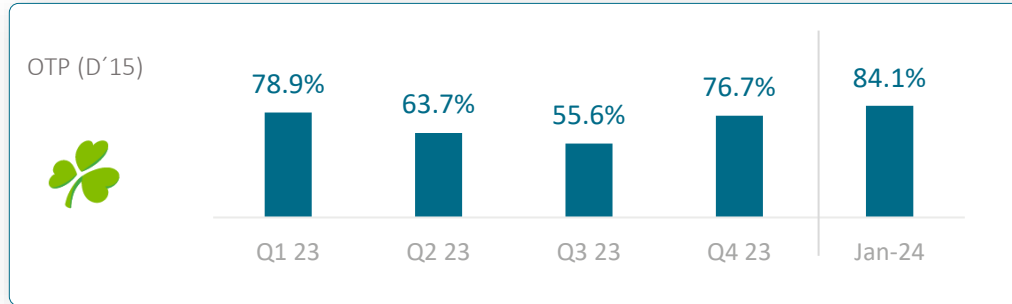
Capacity growth drivers

ASK % yoy	New routes	Canx routes	Sector length	Gauge	Freq/Other
c.7%	c.3%	c.(3)%	c.0.5%	c.0.5%	c.6%

Investing in our customers' experience – more to come in 2024



Investing to improve our operations



British Airways continues to see success from some of the changes and initiatives introduced in 2023:

- 7pts improvement in OTP at Heathrow for 2023.
- 16% network & 19% Heathrow short-haul improvement in 'Ready-to-go' performance.

Key initiatives include:

- Implementing a new Heathrow Operating Model
- New Integrated Operations programme
- New digital tools for ground-handling colleagues
- A new precision time schedule for aircraft turnarounds
- Focus on high-value routes: Heathrow - JFK departures within 15-minutes (D15) performance improved by 31pts to 80% D15 since Spring 2023
- Increased focus on minimising mishandled baggage

Transformation will continue delivering value in 2024

Customer & Innovation



- Booking journey improvements driving better merchandising. Greater integration with AJB partners: AA and IB codeshares; fare class realignment



- Complete overhaul of commercial platforms, including ba.com and app; richer content through CMS; improvements to revenue management



- Greater personalisation capability; greater content differentiation; optimising digital marketing



- Growth in ticket and ancillary through digital and self-management; enhancing experience at all contact points



- 100% Pay with Avios; maximise co-brand penetration, in UK credit card and other areas

Efficiency



- Fleet: deployment driving lower airport and en-route charges; aircraft efficiency benefits



- Significant focus on disruption. Integrated operations, Heathrow Operating Model, Customer care



- Digitalisation and automation of revenue management, customer care, payment processes

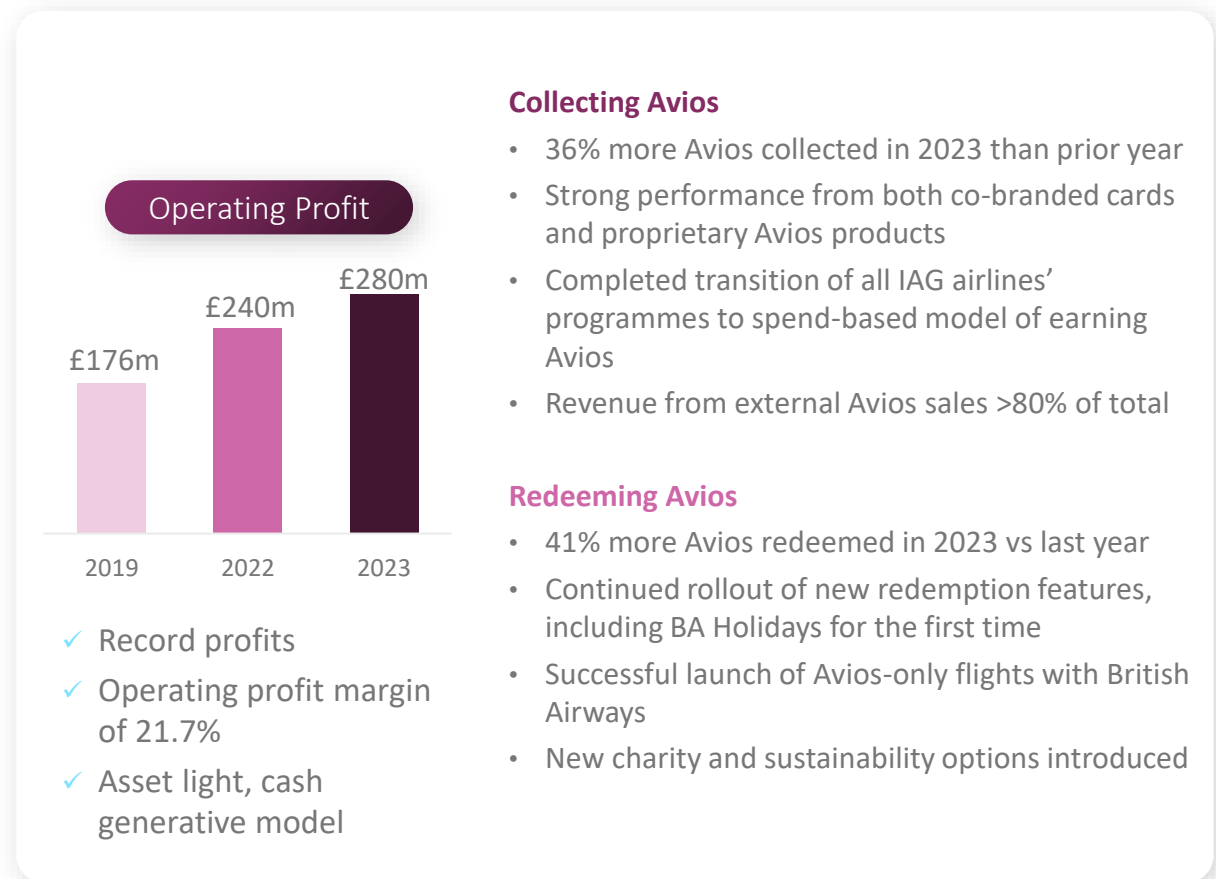
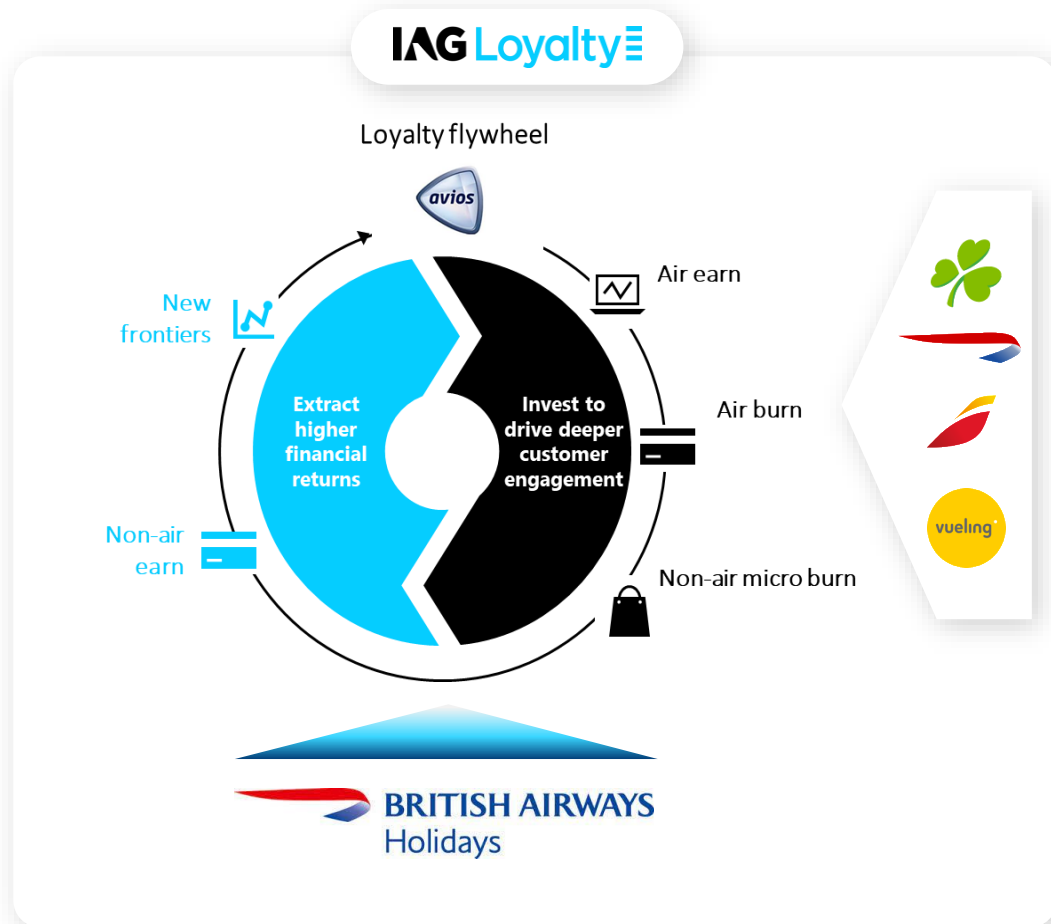


- Engineering supply chain, engine maintenance savings



- Centralised procurement benefits: airports, handling, engineering, property, distribution

Loyalty - strong member engagement fuelling profit growth



Our people are critical to our success



Increasing resources – building capacity, resilience and flexibility, with c.72k colleagues an increase of 9% vs 2022



13k new hires, demonstrating the strength of our brands in attracting talent



Investing in careers including award winning apprentice programmes, new pilot cadet programmes



Multi-year agreements now agreed with employee groups across most of our teams

We made major strides across our sustainability programme

Climate leadership



IAG has been awarded 2024 Eco-Airline of the year by Air Transport World for industry leadership and best-in-class SAF programme

IAG received an A- rating in its 2023 CDP disclosure, the fourth consecutive year IAG has achieved a 'leadership' rating, the longest running of any airline group

Sustainable aviation fuel



IAG is one of the largest users of SAF, purchasing 12% of all globally-produced SAF in 2023
In February we completed our largest SAF supply agreement with eSAF¹ producer Twelve, increasing our secured supply to one-third of our target²

Carbon intensity



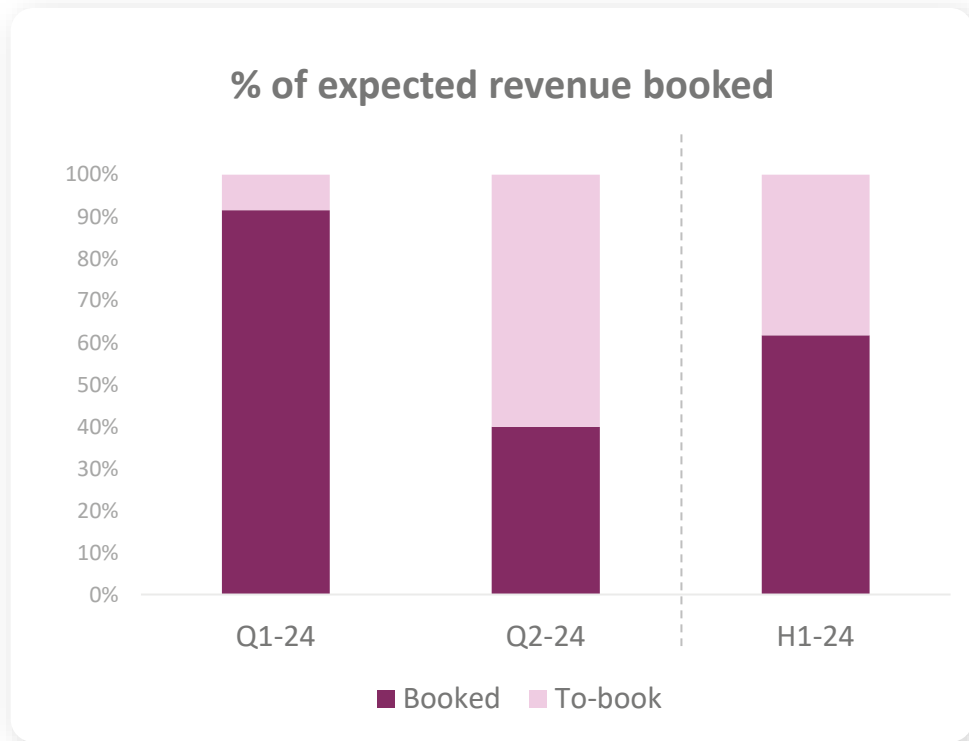
Carbon intensity reduced by 3.6% year-on-year, and more than 10% down on 2019 levels
IAG is on track to exceed its 2025 target of a 10% reduction from 2019 levels

Environmental management



In 2023 all Group airlines were fully certified under the IEnvA standard in all our flight operations and corporate buildings, complying with the core certification scope

Booking momentum has driven a positive outlook for 2024



- Good forward booking momentum since the turn of the year:
 - c.62% of H1-24 revenue already booked
 - Booked revenue is ahead of 2023 for H1-24
 - Demand for leisure travel remains strong
 - Encouraging momentum in corporate travel

Outlook: targeting substantial free cash flow in 2024

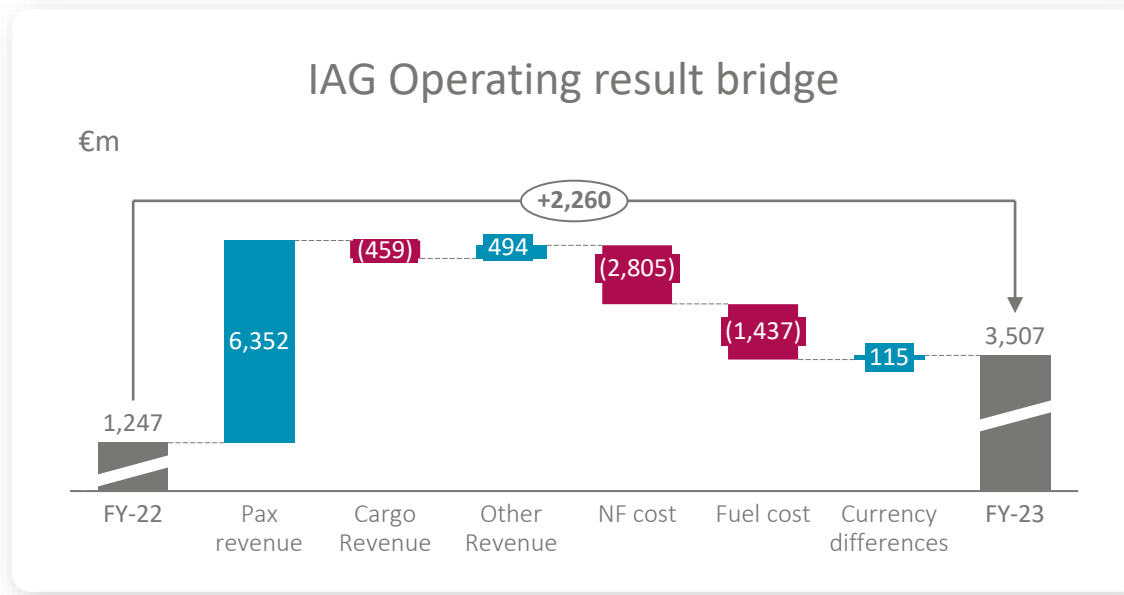
- Demand and the revenue environment continue to be robust
- We are investing in strengthening our core market positions with capacity (ASKs) expected to increase c.7%; Q1 2024 growing c.7.5% vs 2023
- Non-fuel CASK up slightly due to investments in our customers and teams with inflation offset by our transformation program
- Generating significant positive free cash flow after investing €3.7bn of capex
- No pension payments and no significant debt to repay in 2024

Summary

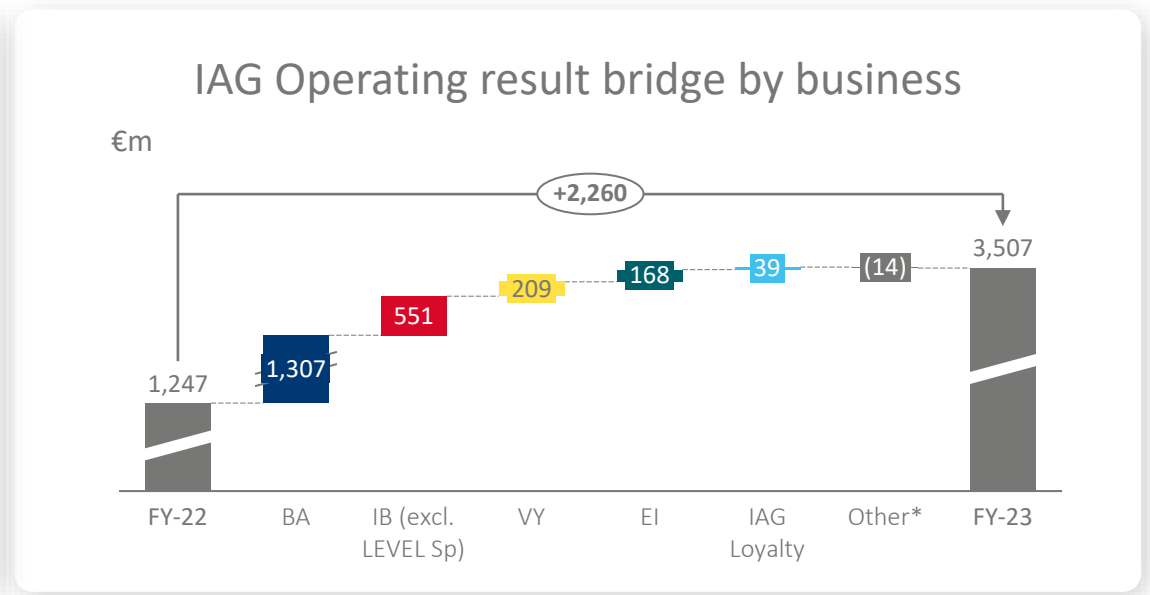
- Strong performance in 2023 driven by customer demand and transformation benefits
- Strategy to drive world-class margins and returns:
 - We are focused on strengthening our core markets, with disciplined capital allocation
 - Investing in our world-class brands and operations
 - Strong earnings growth from asset-light businesses
 - Excellent progress in sustainability initiatives
- Strong cash generation to sustain investment and maintain a strong balance sheet
- Committed to sustainable shareholder value creation and cash returns

Appendices

Delivered €3.5bn operating profit

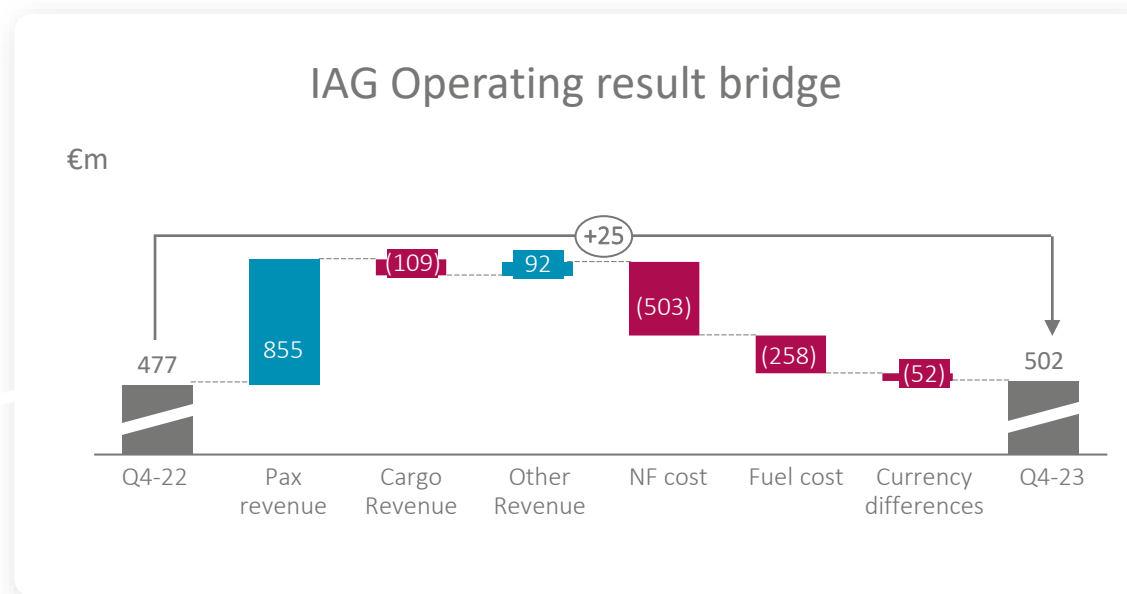


Before exceptional items

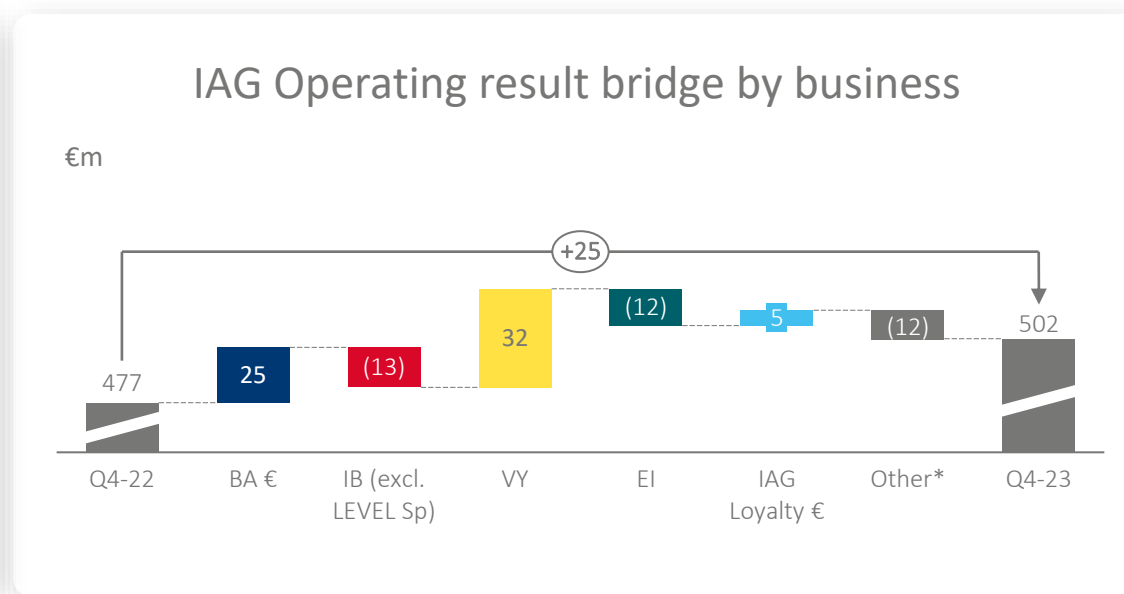


*Other includes LEVEL, IAG Cargo, IAG GBS, ICAG and consolidation adjustments

Continuing strong performance across the Group (Q4 2023)







Before exceptional items



*Other includes LEVEL, IAG Cargo, IAG GBS, ICAG and consolidation adjustments

Our Q4 2023 key metrics

 Activity	ASKs 80,818m <i>13.8% vQ4-22</i>				
 Commercial performance	Total revenue €7,224m <i>13.1% vQ4-22</i>	Total pax revenue €6,293m <i>15.7% vQ4-22</i>	Pax RASK €7.79c <i>1.7% vQ4-22</i>	Load factor 83.7% <i>0.5pts vQ4-22</i>	
 Cost performance	Total expenditure €6,722m <i>13.8% vQ4-22</i>	Total CASK €8.32c <i>No change vQ4-22</i>	Fuel CASK €2.45c <i>1.1% vQ4-22</i>	Non-fuel CASK €5.87c <i>(0.4)% vQ4-22</i>	Airline non-fuel CASK €5.19c <i>(0.8)% vQ4-22</i>
 Financials	Operating result €502m <i>+€25m vQ4-22</i>	Operating margin 6.9% <i>(0.5)pts vQ4-22</i>	Net debt* €9,245m <i>€(1,140)m vDec 22</i>	Leverage* 1.7x <i>(1.4)x vDec-22</i>	

The metrics included in this slide are before exceptional items

The 2022 results include a reclassification to conform with the current year presentation for the Net gain on sale of property, plant and equipment within Operating profit. Accordingly, for the three months to 31 December 2022, the Group has reclassified losses of €9 million from Other non-operating credits to Expenditure on operations. There is no impact on the Profit after tax.

*The comparatives are 31 December 2022


Aer Lingus FY 2023 performance

Aer Lingus  (€m)	2023	2022*	2019*	vLY
Passenger revenue	2,209	1,679	2,057	+32%
Cargo revenue	55	80	54	(32)%
Other revenue	10	10	14	+8%
Total revenue	2,274	1,769	2,125	+29%
Employee costs	471	393	405	+20%
Fuel, oil costs and emissions charges	639	539	460	+18%
Supplier costs	789	646	854	+22%
Ownership costs	150	134	130	+12%
Total expenditure on operations	2,049	1,712	1,849	+20%
Operating result before exceptional items	225	57	276	+168
Operating margin before exceptional items	9.9%	3.2%	13.0%	+6.7pts
Operating result after exceptional items	225	57	276	+168
ASKs (m)	31,572	26,249	30,255	+20%
RPKs (m)	25,451	20,190	24,753	+26%
Load factor (%)	80.6%	76.9%	81.8%	+3.7pts
Sector length (km)	2,350	2,187	2,021	+7%



- Operating result up €168m vs 2022 (operating margin +6.7pts) on strong revenue performance.
- Passenger revenue +32% vs 2022.
 - Total Capacity at 120% of 2022 levels (long-haul +24%; short-haul +13%).
 - Passenger unit revenue +9% vs 2022, yield +4%, and load factor +3.7pts.
 - Short-haul passenger unit revenue +11% vs 2022, yield +4%, and load factor +5.0pts with H1 particularly positive across all markets and cities performing strong all year round.
 - Long-haul passenger unit revenue +10% vs 2022, yield +5%, and load factor +2.9pts with higher yields in every quarter.
- Non-fuel unit costs in line with 2022; fuel unit costs (1.5)% vs 2022.
 - Employee unit costs down (0.5)% vs 2022 with pay inflation offset by capacity increases.
 - Supplier unit costs underlying performance down (5.5)% with costs increasing at a slower pace than capacity, up 1.6% due to non-recurring credits in 2022 for maintenance provision discounting and user charge incentives.
 - Ownership unit costs down (6.9)% vs 2022 with growth more than offsetting investments in fleet & technology.

British Airways FY 2023 performance

 (€m)	2023	2022*	2019**	v22
Passenger revenue	12,668	9,215	11,899	+37%
Cargo revenue	757	1,060	711	(29)%
Other revenue	898	755	680	+19%
Total revenue	14,323	11,030	13,290	+30%
Employee costs	2,577	2,100	2,560	+23%
Fuel, oil costs and emissions charges	3,825	2,929	3,237	+31%
Supplier costs	5,475	4,614	4,497	+19%
Ownership costs	1,015	1,081	1,103	(6)%
Total expenditure on operations	12,892	10,724	11,397	+20%
Operating result before exceptional items	1,431	306	1,893	+1,125
Operating margin before exceptional items	10.0%	2.8%	14.2%	+7.2pts
Operating result after exceptional items	1,431	325	1,893	+1,106
ASKs (m)	167,694	130,874	186,170	+28%
RPKs (m)	140,137	104,496	155,580	+34%
Load factor (%)	83.6%	79.8%	83.6%	+3.8pts
Sector length (km)	3,149	3,061	3,183	+3%



- Operating profit before exceptional items of £1,431m (+£1,125m vs FY-22) and operating margin of 10% (+7pts vs FY-22) with capacity +28% vs FY-22
- Passenger revenue +37% vs FY-22 levels:
 - Traffic +34% / capacity +28% vs FY-22; load factor 83.6%, +3.8pts vs FY-22
 - Passenger unit revenue +7.3% vs FY-22
 - Revenue increase driven by strong leisure performance:
 - Long-haul and short-haul unit revenue above FY-22, both premium and non-premium
 - Leisure channel yields above FY-22 across all segments
 - Business channel yields are below FY-22
 - Leisure demand continues to outpace capacity. Business revenue steadily improving
- Non-fuel unit costs down (9.2)%; fuel unit costs up 2.0% vs FY-22;
 - Employee unit costs down (4.2)% vs FY-22 driven by increase in capacity.
 - Supplier unit costs down (7.3)% vs FY-22 largely due to an increase in capacity.
 - Ownership unit costs down (26.7)% vs FY-22 driven by capacity growth.

Iberia FY 2023 performance



(€m)	2023	2022*	2019*	vLY
Passenger revenue	5,262	4,042	4,053	30%
Cargo revenue	275	347	291	-21%
Other revenue	1,421	1,122	1,301	27%
Total revenue	6,958	5,511	5,645	26%
Employee costs	1,284	1,161	1,164	11%
Fuel, oil costs and emissions charges	1,496	1,313	1,202	14%
Supplier costs	2,827	2,284	2,393	24%
Ownership costs	411	364	388	13%
Total expenditure on operations	6,018	5,122	5,147	17%
Operating result before exceptional items	940	389	498	551
Operating margin before exceptional items	13.5%	7.1%	8.8%	6.4pts
Operating result after exceptional items	940	389	498	551
ASKs (m)	75,726	63,904	73,354	+19%
RPKs (m)	66,024	53,826	63,991	+23%
Load factor (%)	87.2%	84.2%	87.2%	+3.0 pts
Sector length (km)	2,722	2,602	2,841	+4.6%

- Group operating profit before exceptional items +551m v22. Positive results in all business areas (Airline, MRO and Handling).
 - Airline operating profit +547m above 2022, due to strong passenger revenue performance and capacity growth +18.5%
 - MRO operating profit +3m v22. Mixed performance across the three business units, positive year for Engines and Shops, but HM below expectations. Also, impacted by USD exchange rate
 - Strong results delivered by the handling business underpinned by improved productivity (+20m v22)
- Passenger revenue improving +30% v22:
 - Capacity +18.5% above last year. LH +22% v22 focused on North America and LACAR
 - Passenger unit revenue +10% v22 mainly driven by strong yields +6% v22
- Overall, the Group non-fuel unit costs were in line with 22 despite non-airline businesses growth:
 - Employee unit costs improved (6.7%) v22: driven by activity increase
 - Supplier unit costs +4.5% v22: airline performance improving thanks to cost initiatives and higher utilisation, offset by CPI and higher MRO activity
 - Ownership unit costs (6.7%) v22: The fleet renewal cost impact was fully compensated by higher utilisation of the assets

Vueling FY 2023 performance

vueling	(€m)	2023	2022*	2019*	V22
Passenger revenue		3,181	2,584	2,437	+23%
Cargo revenue		-	-	-	-
Other revenue		17	14	18	+16%
Total revenue		3,198	2,598	2,455	+23%
Employee costs		399	370	301	+8%
Fuel, oil costs and emissions charges		907	739	548	+23%
Supplier costs		1,240	1,088	1,116	+14%
Ownership costs		256	214	249	+19%
Total expenditure on operations		2,802	2,411	2,214	+16%
Operating result before exceptional items		396	187	241	+209
Operating margin before exceptional items		12.4%	7.2%	9.8%	+5.2 pts
Operating result after exceptional items		396	195	241	+201
ASKs (m)		41,708	37,749	38,432	+10%
RPKs (m)		38,125	32,917	33,410	+16%
Load factor (%)		91.4%	87.2%	86.9%	+4.2pp
Sector length (km)		1,037	1,030	966	+1%



- Operating profit before exceptional items of €396m, €209m better than FY-22 and €155m better than FY-19
- Passenger revenue +23% vs FY-22:
 - Passenger unit revenue +11.4% vs FY-22
 - Passenger yield +7.0% vs FY-22
 - Passenger load factor of 91%, +4pts vs FY-22
 - Sales performance delivering a PRASK +20% above 2019, with LFs at 91% (+4pp v2019), ancillary unit revenue increasing to 27€/pax which is +95% above 2019 and ticket yields increasing +3%
- Non-fuel unit costs +2.6% vs FY-22; fuel unit costs +11% vs FY-22;
 - Employee unit costs (2.6)% vs FY-22 driven by 2023 post-COVID higher activity
 - Supplier unit costs +3.2% vs FY-22 due to operating 4 ACMI through peak summer and inflation pressure partly mitigated by transformation
 - Ownership unit costs +8.2% vs FY-22 fully explained by 2022 FX derivatives one-off. Excluding this FX impact, it reduced by (5.5%), driven by higher utilisation.

Q4 2023 traffic and capacity statistics vs 2022

Group performance

Group performance	Quarter		vLY	Year to date		vLY
	Q4 2023	Q4 2022		2023	2022	
Passengers carried ('000s)	28,011	25,222	+11.1%	115,559	94,726	+22.0%
Domestic (UK & Spain)	7,134	6,652	+7.2%	29,161	25,649	+13.7%
Europe	14,285	12,723	+12.3%	59,872	48,754	+22.8%
North America	3,075	2,809	+9.5%	12,809	9,951	+28.7%
Latin America & Caribbean	1,726	1,468	+17.6%	6,426	5,418	+18.6%
Africa, Middle East & South Asia	1,524	1,445	+5.5%	6,242	4,662	+33.9%
Asia Pacific	267	125	+113.6%	1,049	292	+259.2%
Revenue passenger km (m)	67,648	59,125	+14.4%	275,727	215,749	+27.8%
Domestic (UK & Spain)	5,816	5,400	+7.7%	23,214	20,578	+12.8%
Europe	16,550	14,780	+12.0%	71,910	59,108	+21.7%
North America	20,364	18,542	+9.8%	84,938	66,039	+28.6%
Latin America & Caribbean	14,029	11,633	+20.6%	52,246	42,698	+22.4%
Africa, Middle East & South Asia	8,383	7,623	+10.0%	33,513	24,695	+35.7%
Asia Pacific	2,506	1,147	+118.5%	9,906	2,631	+276.5%
Available seat km (m)	80,818	71,048	+13.8%	323,111	263,592	+22.6%
Domestic (UK & Spain)	6,569	6,277	+4.7%	25,935	24,055	+7.8%
Europe	19,669	18,109	+8.6%	83,677	72,520	+15.4%
North America	25,145	22,817	+10.2%	102,409	83,259	+23.0%
Latin America & Caribbean	16,308	13,295	+22.7%	59,632	50,190	+18.8%
Africa, Middle East & South Asia	10,201	9,225	+10.6%	40,246	30,436	+32.2%
Asia Pacific	2,926	1,325	+120.8%	11,212	3,132	+258.0%
Passenger load factor (%)	83.7	83.2	+0.5 pts	85.3	81.8	+3.5 pts
Domestic (UK & Spain)	88.5	86.0	+2.5 pts	89.5	85.5	+4.0 pts
Europe	84.1	81.6	+2.5 pts	85.9	81.5	+4.4 pts
North America	81.0	81.3	-0.3 pts	82.9	79.3	+3.6 pts
Latin America & Caribbean	86.0	87.5	-1.5 pts	87.6	85.1	+2.5 pts
Africa, Middle East & South Asia	82.2	82.6	-0.4 pts	83.3	81.1	+2.2 pts
Asia Pacific	85.6	86.6	-1.0 pts	88.4	84.0	+4.4 pts
Cargo tonne km (m)	1,304	1,090	+19.6%	4,666	3,980	+17.2%





Q4 2023 traffic and capacity statistics vs 2019

Group performance

Group performance	Quarter			Year to date		
	Q4 2023	Q4 2019	v19	2023	2019	v19
Passengers carried ('000s)	28,011	27,805	+0.7%	115,559	118,253	-2.3%
Domestic (UK & Spain)	7,134	6,836	+4.4%	29,161	28,278	+3.1%
Europe	14,285	14,035	+1.8%	59,872	62,344	-4.0%
North America	3,075	3,126	-1.6%	12,809	12,662	+1.2%
Latin America & Caribbean	1,726	1,613	+7.0%	6,426	6,317	+1.7%
Africa, Middle East & South Asia	1,524	1,576	-3.3%	6,242	6,162	+1.3%
Asia Pacific	267	619	-56.9%	1,049	2,490	-57.9%
Revenue passenger km (m)	67,648	69,138	-2.2%	275,727	285,745	-3.5%
Domestic (UK & Spain)	5,816	5,168	+12.5%	23,214	20,859	+11.3%
Europe	16,550	15,613	+6.0%	71,910	72,148	-0.3%
North America	20,364	20,470	-0.5%	84,938	83,415	+1.8%
Latin America & Caribbean	14,029	13,371	+4.9%	52,246	52,411	-0.3%
Africa & Middle East	8,383	8,567	-2.1%	33,513	33,033	+1.5%
Asia & Pacific	2,506	5,949	-57.9%	9,906	23,879	-58.5%
Available seat km (m)	80,818	82,005	-1.4%	323,111	337,754	-4.3%
Domestic (UK & Spain)	6,569	6,037	+8.8%	25,935	23,915	+8.4%
Europe	19,669	18,873	+4.2%	83,677	86,349	-3.1%
North America	25,145	24,274	+3.6%	102,409	99,197	+3.2%
Latin America & Caribbean	16,308	15,547	+4.9%	59,632	60,644	-1.7%
Africa, Middle East & South Asia	10,201	10,383	-1.8%	40,246	39,816	+1.1%
Asia Pacific	2,926	6,891	-57.5%	11,212	27,833	-59.7%
Passenger load factor (%)	83.7	84.3	-0.6 pts	85.3	84.6	+0.7 pts
Domestic (UK & Spain)	88.5	85.6	+2.9 pts	89.5	87.2	+2.3 pts
Europe	84.1	82.7	+1.4 pts	85.9	83.6	+2.3 pts
North America	81.0	84.3	-3.3 pts	82.9	84.1	-1.2 pts
Latin America & Caribbean	86.0	86.0	+0.0 pts	87.6	86.4	+1.2 pts
Africa, Middle East & South Asia	82.2	82.5	-0.3 pts	83.3	83.0	+0.3 pts
Asia Pacific	85.6	86.3	-0.7 pts	88.4	85.8	+2.6 pts
Cargo tonne km (m)	1,304	1,432	-8.9%	4,666	5,580	-16.4%






Q4 2023 traffic and capacity statistics vs 2022

Group performance by Opco

Performance by airline	Quarter			Year to date		
	Q4 2023	Q4 2022	vLY	FY2023	FY2022	vLY
Aer Lingus 						
Passengers carried ('000s)	2,407	2,278	+5.7%	10,743	8,950	+20.0%
Revenue passenger km (m)	5,696	5,340	+6.7%	25,451	20,190	+26.1%
Available seat km (m)	7,672	7,028	+9.2%	31,572	26,249	+20.3%
Passenger load factor (%)	74.2	76.0	-1.8 pts	80.6	76.9	+3.7 pts
Cargo tonne km (m)	44	37	+18.9%	153	131	+16.8%
BRITISH AIRWAYS 						
Passengers carried ('000s)	10,677	9,332	+14.4%	43,315	33,348	+29.9%
Revenue passenger km (m)	34,452	29,670	+16.1%	140,137	104,496	+34.1%
Available seat km (m)	41,697	36,359	+14.7%	167,694	130,874	+28.1%
Passenger load factor (%)	82.6	81.6	+1.0 pts	83.6	79.8	+3.8 pts
Cargo tonne km (m)	933	792	+17.8%	3,427	2,929	+17.0%
IBERIA 						
Passengers carried ('000s)	6,067	5,472	+10.9%	24,036	19,979	+20.3%
Revenue passenger km (m)	17,069	14,398	+18.6%	66,024	53,826	+22.7%
Available seat km (m)	19,860	16,709	+18.9%	75,726	63,904	+18.5%
Passenger load factor (%)	85.9	86.2	-0.3 pts	87.2	84.2	+3.0 pts
Cargo tonne km (m)	313	248	+26.2%	1,046	883	+18.5%
LEVEL 						
Passengers carried ('000s)	162	142	+14.1%	701	499	+40.5%
Revenue passenger km (m)	1,412	1,262	+11.9%	5,990	4,320	+38.6%
Available seat km (m)	1,586	1,403	+13.0%	6,411	4,816	+33.1%
Passenger load factor (%)	89.0	90.0	-1.0 pts	93.4	89.7	+3.7 pts
Cargo tonne km (m)	13	13	+0.0%	39	37	+5.4%
vueling 						
Passengers carried ('000s)	8,698	7,998	+8.8%	36,764	31,950	+15.1%
Revenue passenger km (m)	9,019	8,455	+6.7%	38,125	32,917	+15.8%
Available seat km (m)	10,003	9,549	+4.8%	41,708	37,749	+10.5%
Passenger load factor (%)	90.2	88.5	+1.7 pts	91.4	87.2	+4.2 pts
Cargo tonne km (m)	n/a	n/a	n/a	n/a	n/a	n/a

Q4 2023 traffic and capacity statistics vs 2019

Group performance by Opco

Performance by airline	Quarter			Year to date		
	Q4 2023	Q4 2019	v19	2023	2019	v19
Aer Lingus 						
Passengers carried ('000s)	2,407	2,608	-7.7%	10,743	11,649	-7.8%
Revenue passenger km (m)	5,696	5,720	-0.4%	25,451	24,753	+2.8%
Available seat km (m)	7,672	7,132	+7.6%	31,572	30,255	+4.4%
Passenger load factor (%)	74.2	80.2	-6.0 pts	80.6	81.8	-1.2 pts
Cargo tonne km (m)	44	49	-10.2%	155	173	-10.4%
BRITISH AIRWAYS 						
Passengers carried ('000s)	10,677	11,553	-7.6%	43,315	47,710	-9.2%
Revenue passenger km (m)	34,452	38,146	-9.7%	140,137	155,580	-9.9%
Available seat km (m)	41,697	45,556	-8.5%	167,694	186,170	-9.9%
Passenger load factor (%)	82.6	83.7	-1.1 pts	83.6	83.6	+0.0 pts
Cargo tonne km (m)	934	1,055	-11.5%	3,429	4,210	-18.6%
IBERIA 						
Passengers carried ('000s)	6,067	5,547	+9.4%	24,036	22,449	+7.1%
Revenue passenger km (m)	17,069	15,591	+9.5%	66,024	63,991	+3.2%
Available seat km (m)	19,860	17,997	+10.4%	75,726	73,354	+3.2%
Passenger load factor (%)	85.9	86.6	-0.7 pts	87.2	87.2	+0.0 pts
Cargo tonne km (m)	313	326	-4.0%	1,045	1,194	-12.5%
LEVEL 						
Passengers carried ('000s)	162	530	-69.4%	701	1,877	-62.7%
Revenue passenger km (m)	1,412	2,326	-39.3%	5,990	8,011	-25.2%
Available seat km (m)	1,586	2,737	-42.1%	6,411	9,543	-32.8%
Passenger load factor (%)	89.0	85.0	+4.0 pts	93.4	83.9	+9.5 pts
Cargo tonne km (m)	13	2	+550.0%	38	3	+1166.7%
vueling 						
Passengers carried ('000s)	8,698	7,567	+14.9%	36,764	34,568	+6.4%
Revenue passenger km (m)	9,019	7,355	+22.6%	38,125	33,410	+14.1%
Available seat km (m)	10,003	8,583	+16.5%	41,708	38,432	+8.5%
Passenger load factor (%)	90.2	85.7	+4.5 pts	91.4	86.9	+4.5 pts
Cargo tonne km (m)	n/a	n/a	n/a	n/a	n/a	n/a

Alternative Performance Measures (APMs) and Financial terminology definitions

Measure	IFRS/APM	Definition	Source of calculation
Operating profit (and other Income statement items) before exceptional items	APM	See FY 2023 Results Release (Reconciliation of alternative performance measures section, note a: Profit after tax before exceptional items) and accounting policies	2023 Full Year Results Release (Reconciliation of alternative performance measures section, note a: Profit after tax before exceptional items)
EBITDA before exceptional items	APM	Operating result before exceptional items, interest, taxation, depreciation, amortisation and impairment.	2023 Full Year Results Release (Reconciliation of alternative performance measures section, note f: Net debt to EBITDA before exceptional items)
Unit measures (PRASK, Fuel CASK, Non Fuel CASK)	APM	Passenger revenue, fuel costs, non-fuel costs (before exceptional items) divided by capacity (ASKs)	Glossary in the FY 2022 ARA
Gross debt	IFRS	Total borrowings (current and non-current)	Direct from Balance sheet (Current liabilities, Non-current liabilities)
Cash	IFRS	Cash and cash equivalents and Current interest-bearing deposits	Direct from Balance sheet (Current assets)
Airline Non-fuel CASK	APM	Total operating expenditure before exceptional items, less fuel, oil costs and emission charges and less non-flight specific costs divided by total ASKs, and is shown on a constant currency basis.	2023 Full Year Results Release (Reconciliation of alternative performance measures section, note d: Airline non-fuel costs per ASK)
Free cash flow	APM	Cash flows from operating activities less the cash flows associated with the acquisition of property, plant and equipment and intangible assets	2023 Full Year Results Release (Reconciliation of alternative performance measures section, note e: Free cash flow)
Net debt	IFRS	Gross debt (per above) less Cash	2023 Full Year Results Release (Note 22b of consolidated financial statements and Reconciliation of alternative performance measures section, note f: Net debt to EBITDA before exceptional items)
Net debt to EBITDA before exceptional items (or Leverage)	APM	Based on Net debt (per above) as a proportion of EBITDA before exceptional items	2023 Full Year Results Release (Reconciliation of alternative performance measures section, note f: Net debt to EBITDA before exceptional items)
Liquidity (or Total liquidity)	APM	Cash (per above) plus committed and undrawn general and overdraft facilities, and aircraft-specific financing facilities	2023 Full Year Results Release (Reconciliation of alternative performance measures section, note i: Liquidity)
Movements in working capital	IFRS	Net movements in working capital per cash flow statement	Direct from Cash flow statement (Net cash flows from operating activities)
Capex (or gross capital expenditure)	IFRS	Acquisition of property, plant and equipment and intangible assets per cash flow statement	Direct from Cash flow statement (Net cash flows from investing activities)

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