

DECEMBER 2016 - IAG GROUP TRAFFIC AND CAPACITY STATISTICS

- Group traffic in December, measured in Revenue Passenger Kilometres, increased by 3.9 per cent versus December 2015; Group capacity measured in Available Seat Kilometres rose by 3.1 per cent.
- Group premium traffic for the month of December increased by 8.4 per cent compared to the previous year.
- The Group's airlines carried more than 100 million passengers during 2016. The total number of passengers was 100,675,056.

9 January 2017

STRATEGIC DEVELOPMENTS

On 22 December, IAG announced that it plans to set up a next generation longhaul operation in Barcelona from June 2017 using two A330 aircraft. Destinations being considered include Los Angeles, San Francisco, Buenos Aires, Santiago de Chile, Havana and Tokyo. Options for the new operation include setting up a new airline or consider using existing resources from IAG's airlines. No final decision has yet been made.

Iberia and its subsidiary Iberia Express were the world's most punctual airlines in 2016 according to the latest ranking published by FlightStats. Iberia topped the ranking for major global airlines with 89.64 per cent of flights on time while Iberia Express achieved 96.34 per cent punctuality, the highest score among low cost carriers. Iberia's improvement in operational performance has been a key aspect of its restructuring.

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, (responsible for arranging the release of this announcement).

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", "may", "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 2015; these documents are available on www.iagshares.com.



Group Performance ¹	Month of December			Year to Date			
	2016	2015	Change	2016	2015 ⁴	Change	forma ²
Passengers Carried ('000s)	7,065	6,735	4.9%	100,675	88,333	14.0%	6.3%
Domestic ³	1,608	1,603	0.3%	22,718	21,390	6.2%	4.9%
Europe	3,583	3,304	8.4%	54,567	44,987	21.3%	8.7%
North America	836	796	5.0%	10,933	9,730	12.4%	2.8%
Latin America & Caribbean	386	403	-4.2%	4,738	4,668	1.5%	
Africa, Middle East & S,Asia	480	471	1.9%	5,522	5,558	-0.6%	
Asia Pacific	172	158	8.9%	2,197	2,000	9.9%	
Revenue Passenger Km (m)	18,241	17,553	3.9%	243,474	221,996	9.7%	4.5%
Domestic	1,142	1,108	3.1%	15,761	14,413	9.4%	8.3%
Europe	3,955	3,652	8.3%	64,040	53,104	20.6%	8.8%
North America	5,453	5,203	4.8%	72,161	64,966	11.1%	3.2%
Latin America & Caribbean	3,220	3,342	-3.7%	39,673	39,260	1.1%	
Africa, Middle East & S,Asia	2,729	2,665	2.4%	29,922	30,396	-1.6%	
Asia Pacific	1,742	1,583	10.0%	21,917	19,857	10.4%	
Available Seat Km (m)	23,030	22,328	3.1%	298,431	272,702	9.4%	4.3%
Domestic	1,420	1,435	-1.0%	19,397	18,437	5.2%	4.0%
Europe	5,189	5,008	3.6%	80,101	67,169	19.3%	7.6%
North America	6,840	6,395	7.0%	86,992	77,315	12.5%	4.6%
Latin America & Caribbean	3,949	4,119	-4.1%	47,747	47,251	1.0%	
Africa, Middle East & S,Asia	3,473	3,350	3.7%	37,615	38,659	-2.7%	
Asia Pacific	2,159	2,021	6.8%	26,579	23,871	11.3%	
Passenger Load Factor (%)	79.2	78.6	+0.6 pts	81.6	81.4	+0.2 pts	+0.2 pts
Domestic	80.4	77.2	+3.2 pts	81.3	78.2	+3.1 pts	+3.2 pts
Europe	76.2	72.9	+3.3 pts	79.9	79.1	+0.8 pts	+0.8 pts
North America	79.7	81.4	-1.7 pts	83.0	84.0	-1.0 pts	-1.1 pts
Latin America & Caribbean	81.5	81.1	+0.4 pts	83.1	83.1	+0.0 pts	
Africa, Middle East & S,Asia	78.6	79.6	-1.0 pts	79.5	78.6	+0.9 pts	
Asia Pacific	80.7	78.3	+2.4 pts	82.5	83.2	-0.7 pts	
Cargo Tonne Km (m)							
Cargo CTK	480	464	3.4%	5,454	5,293	3.0%	1.2%

Performance by Airline	Month of December				Year to Date			
vueling	2016	2015	Change	2016	2015 ⁴	Change	Pro- forma²	
Revenue Passenger Km (m) Available Seat Km (m) Cargo Tonne Km (m)	1,686 2,147 0	1,490 1,903 0	13.2% 12.8% n/a	28,046 33,884 0	24,775 30,476 0	13.2% 11.2% n/a		
Aer Lingus 🚜	O	U	11/ d	Ü	0	II/ d		
Revenue Passenger Km (m) Available Seat Km (m) Cargo Tonne Km (m)	1,276 1,703 12	1,142 1,533 13	11.7% 11.1% -7.7%	19,194 23,533 127	6,641 8,080 56	n/a n/a n/a	9.5% 9.6% -15.3%	
IBERIA ح								
Revenue Passenger Km (m) Available Seat Km (m) Cargo Tonne Km (m)	4,046 4,997 103	3,896 4,950 103	3.9% 0.9% 0.0%	51,064 62,282 1,094	48,564 59,872 1,057	5.1% 4.0% 3.5%		
BRITISH AIRWAYS								
Revenue Passenger Km (m) Available Seat Km (m) Cargo Tonne Km (m)	11,233 14,183 365	11,025 13,942 348	1.9% 1.7% 4.9%	145,170 178,732 4,233	142,016 174,274 4,180	2.2% 2.6% 1.3%		

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

 $^{^{2}}$ Year to Date pro-forma includes Aer Lingus in the base

 $^{^{\}rm 3}$ Domestic includes routes within UK, Spain, Ireland and Italy

 $^{^4}$ 2015 figures include Aer Lingus from the acquisition date of August 18, 2015