



# Connecting people, businesses and countries

2024 Quarter One results

# Disclaimer

LEI: 959800TZHQRUSH1ESL13

## 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”, “believes”, “may”, “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.

Actual results may differ from those expressed or implied in the forward-looking statements in this document and any related conference call or webcast (including any related Q&A session) as a result of any number of known and unknown risks, uncertainties and other factors, including, but not limited to, economic and geo-political, market, regulatory, climate, supply chain or other significant external events, many of which are difficult to predict and are generally beyond the control of the Group, and it is not reasonably possible to itemise each item. Accordingly, readers of this document and participants in any related conference call or webcast (including any related Q&A session) are cautioned against relying on forward-looking statements. Further information on the primary risks of the business and the Group’s risk management process is set out in the Risk management and principal risk factors section in the Annual Report and Accounts 2023; this document is available on [www.iairgroup.com](http://www.iairgroup.com). All forward-looking statements made on or after the date of this document and attributable to IAG are expressly qualified in their entirety by the primary risks set out in that section.

## 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 5 October 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 2023 \(iairgroup.com\)](http://www.iairgroup.com) and the Interim Management Report for the three months to 31 March 2024 ([IAG Q1 2024 Results \(iairgroup.com\)](http://www.iairgroup.com)). These documents are available on [www.iairgroup.com](http://www.iairgroup.com)



# Highlights

Luis Gallego  
Chief Executive Officer

## Q1 2024 Summary

# Strong demand in a very good first quarter; well-positioned for the summer

- Strong demand, higher revenue, increased unit revenue and increased operating profit in Q1
- Investing in our network development – 7% capacity growth focused in our core markets
- Investing in our businesses to deliver customer and operational benefits
- Good free cash flow generation and strong balance sheet - 1.3x leverage
- Well-positioned for the summer

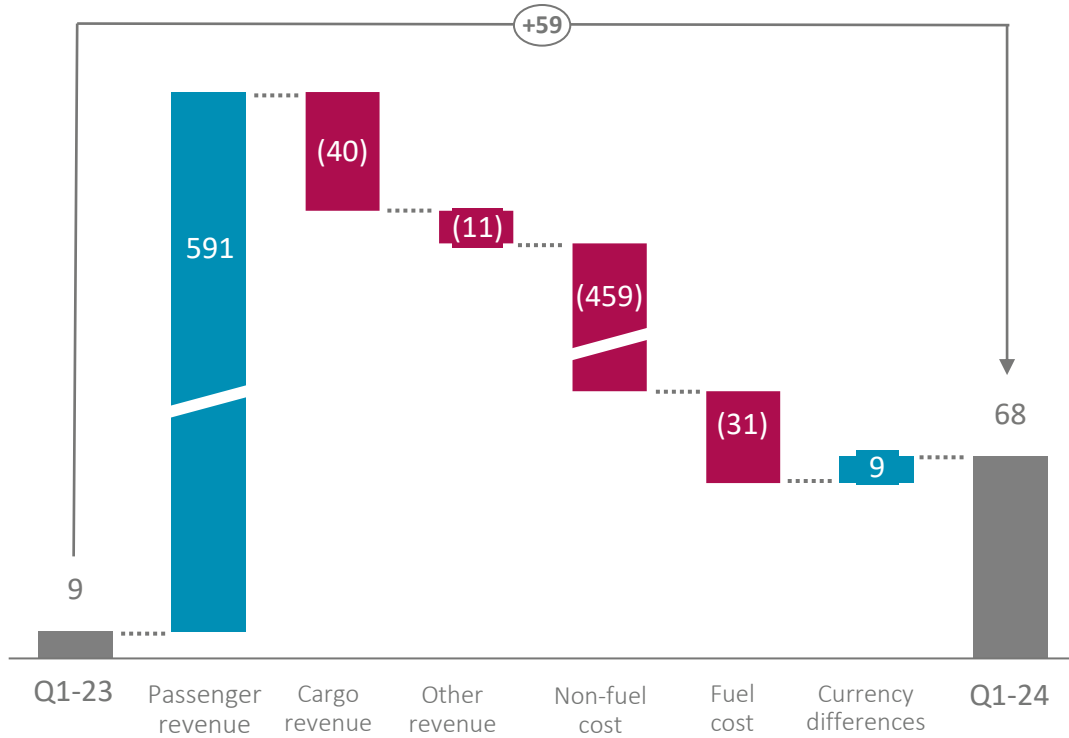


# Financial results

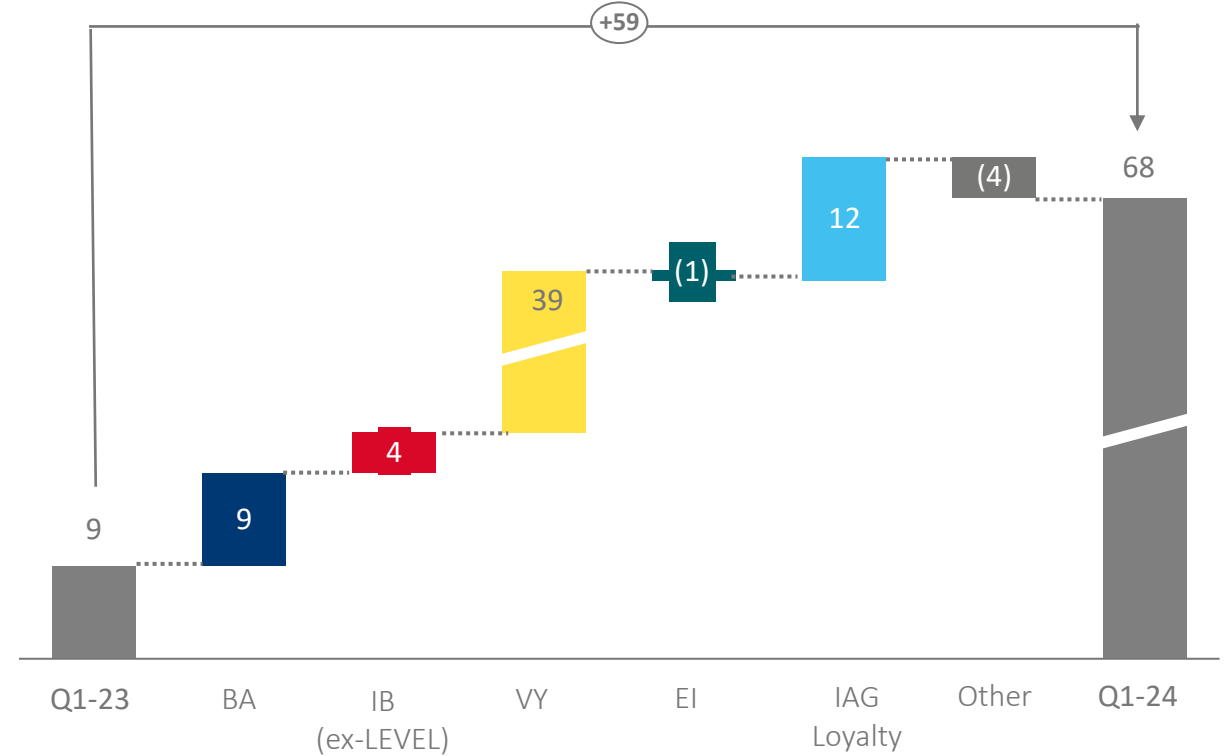
Nicholas Cadbury  
Chief Financial Officer

# Operating profit bridges

IAG Operating profit bridge (€m)







IAG Operating profit bridge by business (€m)








## Q1 2024 Financial results

# Our key metrics

 <b>Activity</b>	<b>ASKs</b> 76,684m <i>+7.0% vLY</i>				
 <b>Commercial performance</b>	<b>Total revenue</b> €6,429m <i>+9.2% vLY</i>	<b>Total pax revenue</b> €5,632m <i>+11.7% vLY</i>	<b>PRASK</b> €7.34c <i>+4.4% vLY</i>	<b>Load factor</b> 83.1% <i>+1.6pts vLY</i>	
 <b>Cost performance</b>	<b>Total expenditure</b> €6,361m <i>+8.2% vLY</i>	<b>CASK</b> €8.30c <i>+1.1% vLY</i>	<b>Fuel CASK</b> €2.33c <i>(4.9)% vLY</i>	<b>Non-fuel CASK</b> €5.96c <i>+3.7% vLY</i>	<b>Airline non-fuel CASK</b> €5.39c <i>+5.2% vLY</i>
 <b>Financial performance</b>	<b>Operating result</b> €68m <i>+€59m vLY</i>	<b>Operating margin</b> 1.1% <i>+0.9pts vLY</i>	<b>Net debt</b> €7.4bn <i>€(1.8)bn vDec-23</i>	<b>Net Debt / EBITDA</b> 1.3x <i>(0.4)x vDec-23</i>	

## Q1 2024 Financial results

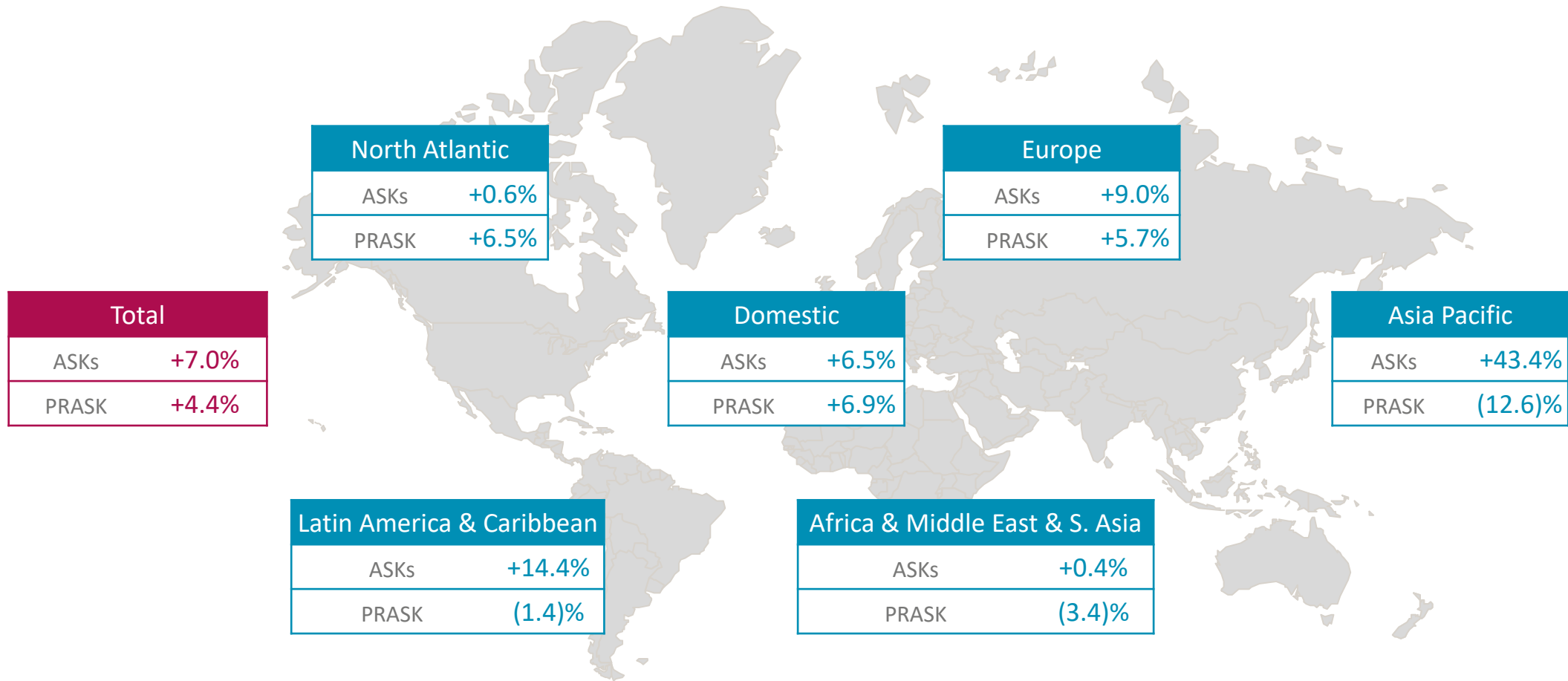
# Good performance across all operating companies

	Aer Lingus 		BRITISH AIRWAYS 		IBERIA 		vueling 		IAG Loyalty 	
	Q1 2024 (€m)	vLY	Q1 2024 (£m)	vLY	Q1 2024 (€m)	vLY	Q1 2024 (€m)	vLY	Q1 2024 (£m)	vLY
Total revenue	386	+7.6%	3,160	+3.9%	1,586	+8.2%	591	+12.9%	359	+43.3%
Passenger revenue	372	+9.3%	2,791	+4.8%	1,201	+13.9%	587	+13.0%	283	+74.4%
Operating result before exceptional items	(82)	(1)	22	+8	70	+4	(25)	+39	80	+9
Operating margin before exceptional items	(21.3)%	+1.2pts	0.7%	+0.2pts	4.4%	(0.1)pts	(4.2)%	+8.1pts	22.3%	(6.1)pts
ASK (m)	6,163	+4.0%	40,659	+5.0%	19,693	+15.4%	8,844	+2.0%		
PRASK (cts/p)	6.03	+5.0%	6.87	(0.1)%	6.08	(1.5)%	6.64	+10.7%		
Non-fuel CASK (cts/p)	5.57	+5.2%	5.49	+1.5%	5.75	(6.2)%	4.75	+3.0%		

\*Iberia figures exclude LEVEL



# Strong trading in Q1 2024



## Q1 2024 Financial results

# Loss after tax and exceptional items of €4m in Q1 2024

€m	Three months to March 31					
	Statutory 2024	Exceptional items	Before exceptional items 2024	Statutory 2023	Exceptional items	Before exceptional items 2023
Revenue	6,429	-	6,429	5,889	-	5,889
Operating costs	6,361	-	6,361	5,880	-	5,880
Operating profit	68	-	68	9	-	9
Finance costs	(228)	-	(228)	(274)	-	(274)
Finance income	75	-	75	68	-	68
Net change in fair value of financial instruments	(9)	-	(9)	(1)	-	(1)
Net financing credit relating to pensions	14	-	14	25	-	25
Net currency retranslation (charges)/credits	(44)	-	(44)	60	-	60
Other non-operating credits/(charges)	37	-	37	(8)	-	(8)
Loss before tax	(87)	-	(87)	(121)	-	(121)
Tax	83	89	(6)	34	-	34
Loss after tax	(4)	89	(93)	(87)	-	(87)

## Q1 2024 Financial results

# Continuing balance sheet strengthening

€m	31 Mar 2023	31 Dec 2023	31 Mar 2024
Gross debt	19,767	16,082	16,164
Bank and other loans	6,461	2,688	2,683
Asset financed and lease liabilities	13,306	13,394	13,481
Cash, cash equivalents and interest-bearing deposits	11,369	6,837	8,726
<b>Net debt</b>	<b>8,398</b>	<b>9,245</b>	<b>7,438</b>
Net debt / EBITDA before exceptional items	2.1x	1.7x	1.3x
<b>Total liquidity (cash and facilities)</b>	<b>15,081</b>	<b>11,624</b>	<b>13,330</b>

- Full year 2024 Capex reiterated at c.€3.7bn
- Cash and net debt improvement mainly driven by increased operating profit and normal seasonality patterns for bookings
- No material non-aircraft debt repayments in 2024



# Business update and outlook

**Luis Gallego**

Chief Executive Officer

## Q1 2024 Business update

# Continuing to invest in our businesses

Aer Lingus 

- Continue strengthening North Atlantic network leadership from Ireland. North Atlantic network will grow to 21 routes with the restart of Minneapolis in April and launch of Denver in May. Broadening the short-haul network and increasing connectivity via the Dublin hub.
- A330 retrofit complete, co-location with AA in Chicago, moving to new lounges in Boston and San Francisco, launch of AerClub Reward Flights.
- Ongoing onboarding of OTAs; new payment options (RevolutPay); using AI for our AerClub customer service channels.

BRITISH AIRWAYS 

- Winter 24 return to Bangkok and Kuala Lumpur and frequency increases in long-haul destinations; continuing growth of BA Euroflyer at Gatwick
- Further progress with £7bn investment programme: investing in fleet (next gen aircraft, new short-haul cabins) and lounges (Dubai), modernising IT estate, upgrading our suite of digital products and introducing new technology into the operation; new advertising campaign

IBERIA 

- Focus on LACAR, in particular to core cities (e.g. Sao Paolo, Buenos Aires). Consolidating recent new routes (e.g. Dallas, Doha). Continued investment in domestic Spain. New route to Tokyo announced for October.
- A330 refurbishment; delivery of A321 XLR; improved customer ground services; new inflight propositions; new benefits for Loyalty customers.
- LatAm brand expansion; increase digital penetration e.g. NDC adoption for indirect channel; Iberia Digital factory; Gen AI customer assistant.

vueling 

- De-seasonalisation network strategy continuing; optimising network portfolio by improving product and frequencies on core domestic (e.g. Barcelona, Bilbao) and international (e.g. London, Paris) markets.
- Digital customer experience improvements including biometrics, seating options, self-management disruption capabilities, investing in elevated service training for our frontline people.
- Driving structural process changes including use of AI and ML predictive models (e.g. maintenance, marketing, revenue management, ancillaries).

IAG Loyalty 

- Expanding the scope of customer rewards: every seat on British Airways now bookable for £1 plus Avios; BA Holidays, now part of Loyalty business, creating more opportunities to maximise the Loyalty proposition; Free Wi-Fi messaging onboard for Loyalty customers
- Largest ever brand campaign for Avios launched with relaunched digital channels

Q1 2024

# Outlook

- We expect positive long-term, sustainable demand for travel
- Well-positioned for the summer
- Planned capacity growth for FY 2024 remains at c.+7% ASKs
- Non-fuel unit cost continues to be expected to increase slightly for the full year as we continue to invest in the business
- Continue to expect to generate significant free cash flow and maintain a strong balance sheet
- Focused on our strategy to deliver world-class margins and returns
- Committed to sustainable shareholder value creation and cash returns



# Appendices

# Fuel hedging - c.70% for the remainder of 2024

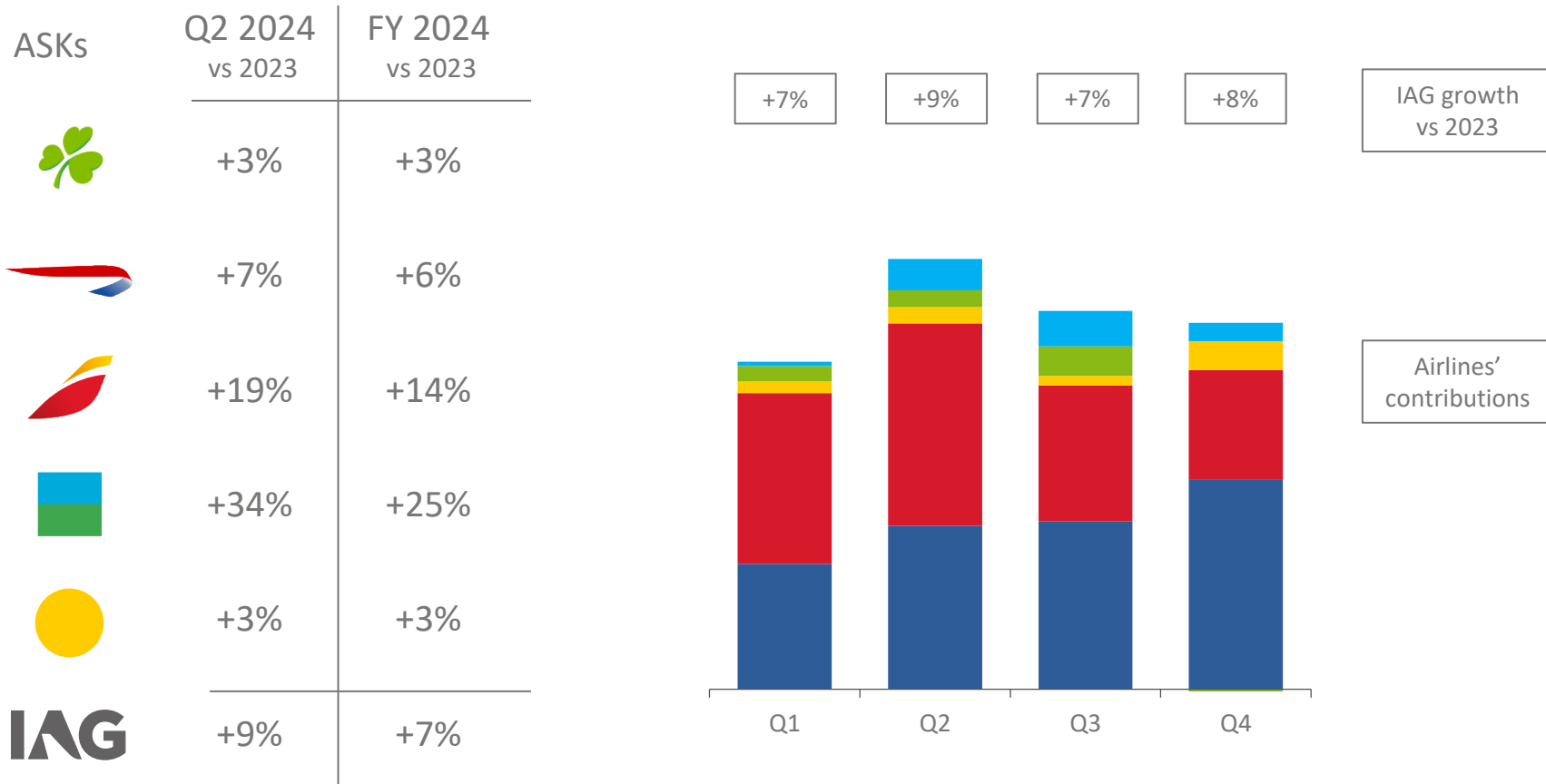
	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
Jet fuel price scenario	\$875/mt	\$855/mt	\$860/mt	\$850/mt	\$830/mt	\$820/mt
\$/€ scenario	1.086	1.086	1.086	1.086	1.086	1.086
Hedge ratio	75%	71%	64%	48%	40%	33%
<b>Effective blended price post fuel and FX hedging*</b>	<b>\$875/mt</b>	<b>\$865/mt</b>	<b>\$865/mt</b>	<b>\$855/mt</b>	<b>\$810/mt</b>	<b>\$805/mt</b>

\* Note: Effective blended price excluding into plane cost

Sensitivity	Jet fuel price scenario	FY 2024 Fuel cost
	\$705/mt	c.€7.4bn
	\$805/mt	c.€7.8bn
	\$855/mt	c.€8.1bn
	\$905/mt	c.€8.2bn
	\$1,005/mt	c.€8.4bn

Business update and outlook

# FY 2024 capacity planned to be c.7% higher than 2023 level





## Q1 2024 traffic and capacity statistics vs 2023

# Group performance

Group performance			
	Q1 2024	Q1 2023	vLY
<b>Passengers carried ('000s)</b>	<b>26,361</b>	<b>24,279</b>	<b>+8.6%</b>
North Atlantic	2,569	2,456	+4.6%
Latin America & Caribbean	1,785	1,569	+13.8%
Europe	13,436	12,092	+11.1%
Domestic (UK & Spain)	6,684	6,345	+5.3%
Africa, Middle East & South Asia	1,619	1,628	-0.6%
Asia Pacific	268	189	+41.8%
<b>Revenue passenger km (m)</b>	<b>63,751</b>	<b>58,423</b>	<b>+9.1%</b>
North Atlantic	17,081	16,326	+4.6%
Latin America & Caribbean	14,416	12,605	+14.4%
Europe	15,257	13,715	+11.2%
Domestic (UK & Spain)	5,543	5,084	+9.0%
Africa, Middle East & South Asia	8,944	8,914	+0.3%
Asia Pacific	2,510	1,779	+41.1%
<b>Available seat km (m)</b>	<b>76,684</b>	<b>71,663</b>	<b>+7.0%</b>
North Atlantic	21,961	21,835	+0.6%
Latin America & Caribbean	16,600	14,507	+14.4%
Europe	18,096	16,598	+9.0%
Domestic (UK & Spain)	6,354	5,968	+6.5%
Africa, Middle East & South Asia	10,799	10,751	+0.4%
Asia Pacific	2,874	2,004	+43.4%
<b>Passenger load factor (%)</b>	<b>83.1</b>	<b>81.5</b>	<b>+1.6 pts</b>
North Atlantic	77.8	74.8	+3.0 pts
Latin America & Caribbean	86.8	86.9	-0.1 pts
Europe	84.3	82.6	+1.7 pts
Domestic (UK & Spain)	87.2	85.2	+2.0 pts
Africa, Middle East & South Asia	82.8	82.9	-0.1 pts
Asia Pacific	87.3	88.8	-1.5 pts
<b>Cargo tonne km (m)</b>	<b>1,217</b>	<b>1,125</b>	<b>+8.2%</b>

## Q1 2024 traffic and capacity statistics vs 2023

# Group performance by airline

Aer Lingus 

BRITISH AIRWAYS 

IBERIA 

 LEVEL

vueling 

Performance by airline	Q1 2024	Q1 2023	vLY
Passengers carried ('000s)	2,104	1,995	+5.5%
Revenue passenger km (m)	4,614	4,436	+4.0%
Available seat km (m)	6,163	5,927	+4.0%
Passenger load factor (%)	74.9	74.8	+0.1 pts
Cargo tonne km (m)	40	32	+25.0%
Passengers carried ('000s)	10,340	9,434	+9.6%
Revenue passenger km (m)	32,984	30,517	+8.1%
Available seat km (m)	40,659	38,738	+5.0%
Passenger load factor (%)	81.1	78.8	+2.3 pts
Cargo tonne km (m)	894	841	+6.3%
Passengers carried ('000s)	6,001	5,481	+9.5%
Revenue passenger km (m)	16,845	14,577	+15.6%
Available seat km (m)	19,693	17,071	+15.4%
Passenger load factor (%)	85.5	85.4	+0.1 pts
Cargo tonne km (m)	275	242	+13.6%
Passengers carried ('000s)	140	129	+8.5%
Revenue passenger km (m)	1,256	1,156	+8.7%
Available seat km (m)	1,325	1,260	+5.2%
Passenger load factor (%)	94.8	91.7	+3.1 pts
Cargo tonne km (m)	8	10	-20.0%
Passengers carried ('000s)	7,776	7,240	+7.4%
Revenue passenger km (m)	8,052	7,737	+4.1%
Available seat km (m)	8,844	8,667	+2.0%
Passenger load factor (%)	91.0	89.3	+1.7 pts
Cargo tonne km (m)	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 Q1 2024 Interim Management Statement (alternative performance measures section, note a: Loss after tax before exceptional items) and accounting policies	Q1 2024 Interim Management Statement (Reconciliation of alternative performance measures section, note a: Loss after tax before exceptional items)
EBITDA before exceptional items	APM	Operating result before exceptional items, interest, taxation, depreciation, amortisation and impairment.	Q1 2024 Interim Management Statement (Reconciliation of alternative performance measures section, note d: 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 2023 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.	Q1 2024 Interim Management Statement (Reconciliation of alternative performance measures section, note c: Airline non-fuel costs per ASK)
Net debt	IFRS	Gross debt (per above) less Cash	Q1 2024 Interim Management Statement (Reconciliation of alternative performance measures section, note d: Net debt to EBITDA before exceptional items)
Net debt to EBITDA before exceptional items (or Leverage)	APM	Based on Net debt (per above) and the rolling 12-month EBITDA before exceptional items	Q1 2024 Interim Management Statement (Reconciliation of alternative performance measures section, note d: 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	Q1 2024 Interim Management Statement (Reconciliation of alternative performance measures section, note f: 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)



# Connecting people, businesses and countries

2024 Quarter One results