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10 September 2020

## International Consolidated Airlines Group, S.A.

### Publication of prospectus and other matters

Further to the announcement made earlier today, International Consolidated Airlines Group, S.A. (the "Company") is pleased to announce that the prospectus relating to the Capital Increase (the "Prospectus") has been approved and incorporated to its official registers by the Spanish National Securities Market Commission ("CNMV") and will be passported into the United Kingdom following notification by the CNMV to the Financial Conduct Authority (the "FCA") of its approval.

The Prospectus is available on the Company's website ([www.iairgoup.com](http://www.iairgoup.com)) and the CNMV's website ([www.cnmv.es](http://www.cnmv.es)) and will be uploaded to the National Storage Mechanism.

### Expected timetables of principal events in Spain and the United Kingdom

#### *Expected timetable of the Capital Increase in Spain*

Approval and registration of the Prospectus with the CNMV and passporting of the prospectus to the FCA	10 Sept 2020
Other Relevant Information Notice announcing the registration of the Prospectus with the CNMV and the date of the commencement and end of the Subscription Period	10 Sept 2020
Publication of the notice of the Capital Increase in the BORME and last trading date of shares "with rights"	11 Sept 2020
Commencement of the Pre-emptive Subscription Period	12 Sept 2020
Initial trading date of the Company's existing shares "ex-rights" and first date of trading of the Subscription Rights	14 Sept 2020
Record Date (the date on which those persons or entities registered in Iberclear as shareholders become entitled to receive Subscription Rights)	15 Sept 2020
Allocation date of the Subscription Rights by Iberclear to Eligible Shareholders	16 Sept 2020
End of trading of Subscription Rights	25 Sept 2020
End of the Pre-emptive Subscription Period and of the period to request Additional Shares	26 Sept 2020
If applicable, Allocation Period for Additional Shares (2nd round)	1 Oct 2020
Inside Information Notice announcing the New Shares subscribed	1 Oct 2020
Opening, if applicable, of the Discretionary Allocation Period (3rd round)	1 Oct 2020
Deadline for the Discretionary Allocation Period.	2 Oct 2020
Payment by Iberclear Participant Entities to the Agent of the New Shares subscribed	2 Oct 2020
Payment by the Pre-Funding Bank, for the New Shares placed during the Discretionary Allocation Period or whose subscription corresponds to the Underwriters	2 Oct 2020
Resolution to execute Capital Increase deed	2 Oct 2020
Notarisation of the Capital Increase deed	2 Oct 2020
Registration of the notarised Capital Increase deed with the Mercantile Registry	5 Oct 2020
Registration of the New Shares with Iberclear	6 Oct 2020

Other Relevant Information Notice announcing the admission to trading of the New Shares	6 Oct 2020
Transfer of the Discretionary Allocation Shares by the Underwriters to the final investors	6 Oct 2020
Admission to trading of the New Shares by the CNMV and the Spanish Stock Exchanges	6 Oct 2020
Commencement of trading of the New Shares	7 Oct 2020
Settlement, if applicable, of the Special Stock Exchange Transaction	8 Oct 2020

*Expected timetable of the Capital Increase in the United Kingdom*

Announcement of the Capital Increase and publication of the Prospectus	10 Sept 2020
Publication of the notice of the Capital Increase in the Official Bulletin of the Commercial Registry in Spain and last trading date of shares "with rights" on the London Stock Exchange	11 Sept 2020
Commencement of the Subscription Period (1st round)	12 Sept 2020
Existing Shares marked "ex-rights" by the London Stock Exchange and Spanish Stock Exchanges	14 Sept 2020
Admission of, and commencement of dealings in, Subscription Rights in the form of CDI Rights on the London Stock Exchange	14 Sept 2020
Record Date for entitlements under the Capital Increase	15 Sept 2020
CDI Rights enabled in CREST	17 Sept 2020
CDI Rights credited to CREST accounts	17 Sept 2020
Deadline for CREST instructions in respect of the Capital Increase to be submitted*	14:30 (BST) on 25 Sept 2020
End of trading of CDI Rights	14:30 (BST) on 25 Sept 2020
If applicable, Allocation Period for Additional Shares (2nd round)	1 Oct 2020
Announcement of the New Shares subscribed for during the Pre-emptive Subscription Period, and if applicable, during the Allocation Period for Additional Shares, and, if applicable, opening of the Discretionary Allocation Period	1 Oct 2020
Deadline for the Discretionary Allocation Period.	2 Oct 2020
Notarisation of the Capital Increase deed	2 Oct 2020
Registration of the notarised Capital Increase deed with the Mercantile Registry	5 Oct 2020
Announcement of registration of the public deed with the Commercial Registry and estimated date for admission to trading of the New Shares	5 Oct 2020
Admission to listing and trading in the New CDIs on the London Stock Exchange	7 Oct 2020
New CDIs credited to CREST accounts	7 Oct 2020

Application has been made to the Financial Conduct Authority and to the London Stock Exchange for 1,986,295,585 Subscription Rights in the form of CDI Rights to be admitted to the Official List and to trading on the Main Market of the London Stock Exchange. Admission of the Subscription Rights in the form of CDI Rights is expected to be effective on 14 September 2020.

As indicated in the Prospectus, the commencement of Pre-emptive Subscription Period of the Capital Increase is expected to occur on 12 September 2020, once the publication of the mandatory

announcement in the *Boletín Oficial del Registro Mercantil* has taken place (expected to occur on 11 September 2020), and its finalisation is expected to occur on 26 September 2020.

The Subscription Rights will expire at the end of the Pre-emptive Subscription Period in accordance with Spanish law and, it is expected that on 28 September 2020, the listing of the Subscription Rights in the form of CDI Rights on the standard segment of the Official List and the trading of the Subscription Rights in the form of CDI Rights on the Main Market of the London Stock Exchange will each be cancelled. All acceptances in respect of Subscription Rights in the form of CDI Rights must be submitted no later than the expected deadline of 14:30 (BST) on 25 September 2020 (in accordance with the timetable above) and trading in Subscription Rights in the form of CDI Rights on the Main Market of the London Stock Exchange is expected to end at 14:30 (BST) on 25 September 2020.

Each of the times and dates in the tables above are indicative only and may be subject to change. Please read the notes to these timetables set out in the Prospectus.

Capitalised terms used but not defined in this announcement shall have the meanings given to them in the Prospectus, unless the context requires otherwise.

### **Capital Reduction of the Company**

Further to the approval by shareholders on 8 September 2020, the Company confirms that the par value of the Company's shares has been reduced to €0.10 per share (the "**Capital Reduction**"). As set out in the report of the board of directors of 30 July 2020, the Capital Reduction has been carried out to give the Company greater margin for setting the subscription price in accordance with Spanish law for the New Shares to be issued pursuant to the Capital Increase.

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## IMPORTANT NOTICES

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This announcement is an advertisement and not a prospectus for the purposes of the Prospectus Regulation. A final form prospectus has been prepared and approved by the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (the "Prospectus"). The final form Prospectus has been made available on the website of the Spanish National Securities Market Commission ([www.cnmv.es](http://www.cnmv.es)) and the website of the Company ([www.iairgroup.com](http://www.iairgroup.com)). Neither the content of the Company's website nor any website accessible by hyperlinks on the Company's website is incorporated in, or forms part of, this announcement. The approval of the prospectus should not be understood as an endorsement of the securities. Investors should not subscribe for or purchase any transferable securities referred to in this announcement except on the basis of information contained in the prospectus published and should read the prospectus before making an investment decision in order to fully understand the potential risks and rewards associated with the decision to invest in the securities.

Recipients of this announcement and/or the Prospectus should conduct their own investigation, evaluation and analysis of the business, data and property described in this announcement and/or if and when published the Prospectus. This announcement does not constitute a recommendation concerning any investor's decision or options with respect to the Capital Increase. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The contents of this announcement are not to be construed as legal, business, financial or tax advice. Each shareholder or prospective investor should consult his, her or its own independent legal adviser, business adviser, financial adviser or tax adviser for legal, financial, business or tax advice.

Apart from the responsibilities and liabilities, if any, which may be imposed on Goldman Sachs, Morgan Stanley, Deutsche Bank, Banco Bilbao Vizcaya Argentaria S.A., Banco Santander S.A., Barclays Bank PLC, BofA Securities Europe SA, Citigroup Global Markets Limited and Credit Suisse Securities (Europe) Limited (together, the "Underwriters") by the FSMA or the regulatory regime established thereunder, neither of the Underwriters nor any of their respective affiliates accepts any responsibility or liability whatsoever and makes no representation or warranty, express or implied, for the contents of this announcement, including its accuracy, fairness, sufficiency, completeness or verification or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company or the Capital Increase and nothing in this announcement is, or shall be relied upon as, a promise or representation in this respect, whether as to the past or future. Each of the Underwriters and their respective affiliates accordingly disclaims to the fullest extent permitted by law all and any responsibility and liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this announcement or any such statement. Furthermore, each of the Underwriters and/or their affiliates provides various investment banking, commercial banking and financial advisory services from time to time to the Company.

Goldman Sachs International ("Goldman Sachs") is authorised in the United Kingdom by the Prudential Regulation Authority (the "PRA") and regulated in the United Kingdom by the Financial Conduct Authority (the "FCA") and the PRA. Goldman Sachs is acting as Joint Financial Adviser (except in connection with its role as underwriter on the Capital Increase) and Joint Global Co-ordinator to the Company and no other person in connection with this announcement and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Goldman Sachs nor for providing advice to any person in relation to any matters referred to in this announcement.

Morgan Stanley & Co. International plc ("Morgan Stanley") is authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the FCA and the PRA. Morgan Stanley is acting as Joint Financial Adviser, Joint Global Co-ordinator and Joint Corporate Broker to the Company, and will not regard any other person as a client and will not be responsible to anyone

other than the Company for providing the protections afforded to clients of Morgan Stanley nor for providing advice to any such other person.

Deutsche Bank Aktiengesellschaft ("Deutsche Bank") is authorised under German Banking Law (competent authorities: European Central Bank and German Federal Financial Supervisory Authority ("BaFin")) and, in the United Kingdom, by the Prudential Regulation Authority. It is subject to supervision by the European Central Bank and the BaFin, and to limited supervision in the United Kingdom by the Prudential Regulation Authority and the Financial Conduct Authority. Details about the extent of Deutsche Bank's authorisation and supervision by these authorities are available on request. Deutsche Bank is acting as Joint Global Co-ordinator and Joint Corporate Broker to the Company and no other person in connection with this document and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Deutsche Bank nor for providing advice to any person in relation to any matters referred to in this announcement.

N. M. Rothschild & Sons Limited ("Rothschild & Co"), which is authorised and regulated by the FCA in the United Kingdom is acting exclusively for the Company and no one else in connection with the Capital Increase or any other matter referred to in this announcement and will not regard any other person (whether or not a recipient of this announcement) as a client and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Rothschild & Co or for providing advice in connection with the Capital Increase or any other matter referred to in this announcement.

Each of Credit Suisse Securities (Europe) Limited, Citigroup Global Markets Limited and Barclays Bank PLC are authorised in the United Kingdom by the PRA and regulated in the United Kingdom by the FCA and the PRA. Barclays Bank PLC is acting solely for the Company only in connection with the Capital Increase and will not be responsible to anyone other than the Company for providing the protections offered to the clients of Barclays, nor for providing advice in relation to the Capital Increase or any matters referred to in this announcement.

BofA Securities Europe SA is governed by articles L. 531-1 and following of the monetary and financial code. BofA Securities Europe SA is authorised as an investment firm by the *Autorité de Contrôle Prudentiel et de Résolution* ("**ACPR**"), is regulated by the ACPR and the *Autorité des Marchés Financiers*, and is not a credit institution.

Banco Bilbao Vizcaya Argentaria S.A. is authorised by the Bank of Spain and is enrolled in the Administrative Register of the Bank of Spain with number 0182. It is subject to supervision by the European Central Bank and by the Bank of Spain, and is subject to limited regulation in the United Kingdom by the FCA and the PRA.

Banco Santander S.A., is authorised by Bank of Spain and subject to supervision by the Bank of Spain and by the European Central Bank and to limited regulation by the Financial Conduct Authority and Prudential Regulation Authority. Banco Santander is acting exclusively for the Company and no other person in connection with this prospectus and will not be responsible to anyone other than the Company for providing the protections afforded to our clients nor for providing advice to any person in relation to any matters referred to in this prospectus.

None of Goldman Sachs, Morgan Stanley, Deutsche Bank or Rothschild & Co, Banco Bilbao Vizcaya Argentaria S.A., Banco Santander S.A., Barclays Bank PLC, BofA Securities Europe SA, Citigroup Global Markets Limited and Credit Suisse Securities (Europe) Limited, nor any of their respective subsidiaries, branches or affiliates, nor any of their respective directors, officers or employees owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Goldman Sachs, Morgan Stanley, Deutsche Bank or Rothschild & Co, Banco Bilbao Vizcaya Argentaria S.A., Banco Santander S.A., Barclays Bank PLC, BofA Securities Europe SA, Citigroup Global Markets Limited and Credit Suisse Securities (Europe) Limited in connection with the Capital Increase, this announcement, any statement contained herein, or otherwise.

### **Forward-Looking Statements**

Certain statements included in this announcement 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”, “will”, “could”, “should”, “intends”, “plans”, “predicts”, “envisages” or “anticipates” or other words of similar meaning. They include, without limitation, any and all projections relating to the results of operations and financial conditions of the Company 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 and divestments relating to the Group and discussions of the Group’s business plan. All forward-looking statements in this announcement are based upon information known to the Group on the date of this announcement and speak as of the date of this announcement. 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 announcement as a result of any number of known and unknown risks, uncertainties and other factors, including, but not limited to, the effects of the COVID-19 pandemic and uncertainties about its impact and duration, 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 announcement 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 2019; these documents are available on [www.iairgroup.com](http://www.iairgroup.com). All forward-looking statements made on or after the date of this announcement and attributable to IAG are expressly qualified in their entirety by the primary risks set out in that section. Many of these risks are, and will be, exacerbated by the COVID-19 pandemic and any further disruption to the global airline industry and economic environment as a result.