

INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A.
Shareholders' Meeting

Pursuant to a resolution by the Board of Directors, the Shareholders' Meeting of International Consolidated Airlines Group, S.A. (the "**Company**") is called to be held in Madrid, Auditorio Sur de IFEMA, Feria de Madrid, Campo de las Naciones, on June 20, 2012 at 12 noon (CET), on first call, and on the following day, June 21, 2012, at the same time and venue, on second call. In light of the fact that it is unlikely that the quorum required by law and the Corporate Bylaws for the Shareholders' Meeting is met on first call, shareholders are informed that the Shareholders' Meeting will be held on second call.

The Shareholders' Meeting is called in accordance with the following

AGENDA

- 1.- Approval of the individual annual financial statements and management report of the Company and the consolidated annual financial statements and management report of the Company and its subsidiaries for the financial year ended on December 31, 2011.
- 2.- Approval of the proposal for the allocation of profits corresponding to the financial year ended on December 31, 2011.
- 3.- Approval of the management of the Board of Directors for the financial year ended December 31, 2011.
- 4.- Amendment of articles 21, 23 and 32 of the Corporate Bylaws to adapt them to the Companies Law in force.
- 5.- Amendment of articles 8, 10, 11, 13, 28 and 35 of the Shareholders' Meeting Regulations to adapt them to the Companies Law in force.
- 6.- Authorization, for a term ending at the end of next year's ordinary Shareholders' Meeting (or, if earlier, fifteen months from the date of passing of this resolution), for the derivative acquisition of the Company's own shares by the Company itself and/or by its subsidiaries, upon the terms provided by applicable law and subject to the following conditions: (a) the maximum aggregate number of ordinary shares which are authorised to be purchased shall be the lower of the maximum amount permitted by the law and such number as represents ten per cent. of the aggregate nominal amount of the Company's issued ordinary share capital as at the date of passing this resolution; (b) the minimum price which may be paid for an ordinary share is zero; (c) the maximum price which may be paid for an ordinary share is the highest of: (i) an amount equal to five per cent. above the average of the middle market quotations for the ordinary shares as taken from the relevant stock exchange for the five business days immediately preceding the day on which that

ordinary share is contracted to be purchased; and (ii) the higher of the price of the last independent trade and the highest current independent bid on the trading venues where the purchase is carried out at the relevant time; in each case, exclusive of expenses.

- 7.- Authorization to the Board of Directors, with the express power of substitution, for a term ending at the end of next year's ordinary Shareholders' Meeting (or, if earlier, fifteen months from the date of passing of this resolution), to increase the share capital pursuant to the provisions of Article 297.1.b) of the Companies Law, by: (a) up to one-third of the aggregate nominal amount of the Company's issued ordinary share capital as at the date of passing this resolution (such amount to be reduced by the amount that the share capital has been increased by and the maximum amount that the share capital may need to be increased on the conversion or exchange of any securities issued under paragraph (a) of Resolution 8); and (b) up to a further one-sixth of the aggregate nominal amount of the Company's issued ordinary share capital as at the date of passing this resolution in connection with an offer by way of rights issue (such amount to be reduced by the amount that the share capital has been increased by and the maximum amount that the share capital may need to be increased on the conversion or exchange of any securities issued under paragraph (b) of Resolution 8).

For the purposes of Resolution 7, Resolution 8 and Resolution 9 "rights issue" means an offer by way of a rights issue to ordinary shareholders in proportion (as near as may be practicable) to their existing holdings, but subject to such exclusions or other arrangements as the Board of Directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or legal, regulatory or practical problems in, or under the laws of, any territory or any other matter.

- 8.- Authorization to the Board of Directors, with the express power of substitution, for a term ending at the end of next year's ordinary Shareholders' Meeting (or, if earlier, fifteen months from the date of passing of this resolution), to issue securities (including warrants) convertible into and/or exchangeable for shares of the Company, up to a maximum limit of 1,000,000,000 euros or the equivalent thereof in another currency, provided that the aggregate share capital that may need to be increased on the conversion or exchange of all such securities may not be higher than: (a) one-third of the aggregate nominal amount of the Company's issued ordinary share capital as at the date of passing this resolution (such amount to be reduced by the amount that the share capital has been increased under paragraph (a) of Resolution 7); and (b) a further one-sixth of the aggregate nominal amount of the Company's issued ordinary share capital as at the date of passing this resolution in connection with an offer by way of rights issue (such amount to be reduced by the amount that the share capital has been increased under paragraph (b) of Resolution 7). Establishment of the criteria for determining the basis for and terms and conditions applicable to the conversion or exchange. Delegation to the Board of Directors, with the express power of

substitution, of the powers required to establish the basis for and terms and conditions applicable to the conversion or exchange, as well as of the power to increase the share capital by the required amount on the conversion.

- 9.- Authorization to the Board of Directors, with the express power of substitution, to exclude pre-emptive rights in connection with the capital increases and the issuances of convertible or exchangeable securities that the Board of Directors may approve under the authority given under Resolution 7 or Resolution 8 for the purposes of allotting ordinary shares or convertible or exchangeable securities in connection with a rights issue or in any other circumstances for the purposes of allotting ordinary shares or convertible or exchangeable securities subject to an aggregate maximum nominal amount of the ordinary shares so allotted and allotted or that may be allotted on conversion or exchange of such securities of five per cent. of the aggregate nominal amount of the Company's issued ordinary share capital as at the date of passing this resolution.
- 10.- Authorization to the Board of Directors, with the express power of substitution, for a term ending at the end of next year's ordinary Shareholders' Meeting (or, if earlier, fifteen months from the date of passing of this resolution), to issue: (a) bonds or simple debentures and other fixed-income securities of a like nature (other than notes), up to a maximum amount of 1,000,000,000 euros or the equivalent thereof in another currency; and (b) notes (*pagarés*) up to a maximum amount at any given time, independently of the foregoing, of 500,000,000 euros or the equivalent thereof in another currency. Authorization for the Company to guarantee, within the limits set forth above, new issuances of securities by subsidiaries.
- 11.- Approval of the corporate web page of the Company (www.iairgroup.com).
- 12.- Consultative vote on the annual report on the remuneration of the directors of the Company.
- 13.- Delegation of powers to formalize and execute all resolutions adopted by the shareholders at the General Shareholders' Meeting, for conversion thereof into a public instrument, and for the interpretation, correction and supplementation thereof or further elaboration thereon until the required registrations are made.

Likewise, information will be provided to the Shareholders' Meeting regarding the amendments made to the Board of Directors Regulations.

BOARD RECOMMENDATION

The Board of Directors considers that each resolution to be proposed at the Shareholders' Meeting is in the best interests of the shareholders as a whole and unanimously recommends shareholders to vote in favour of all resolutions, as the directors intend to do in respect of their own shareholdings.

SUPPLEMENT TO THE CALL NOTICE AND PROPOSED RESOLUTIONS

Shareholders representing at least five per cent. of the capital stock may (a) request the publication of a supplement to this call notice, including one or more items on the agenda, provided they are accompanied by a justification or, as appropriate, a justified proposed resolution; and (b) submit reasoned proposals for resolutions on items already included or to be included on the agenda. This right must be exercised by serving duly authenticated notice (including the relevant documentation evidencing shareholder status) which must be received at the registered office (calle Velázquez, 130, 28006 Madrid), marked for the attention of the Shareholder Office (IAG) within five days after the publication of this call notice.

RIGHT TO INFORMATION

Under the applicable legislation and, in particular, Article 272 and related provisions of the Companies Law, shareholders have the right to examine and obtain at the registered office (calle Velázquez, 130, Madrid - Shareholder Office (IAG), Monday to Friday, from 0900 to 1400 and from 1500 to 1800 (CET)), or to request that the Company deliver or send to them, immediately and free of charge, a copy of the following documents:

- the Company's individual and consolidated financial statements and management reports, together with the related auditors' reports, and the proposed allocation of profits, all of the above in relation to the fiscal year ended December 31, 2011;
- the complete wording of the proposed resolutions prepared by the Board of Directors in relation to the items on the agenda, and the reports issued by the Board in relation to items 4, 5, 7, 8 and 9 on the agenda; and
- the annual report on the remuneration of the directors of the Company.

All of the documents mentioned above are also available on the Company's website (www.iairgroup.com).

Until the seventh day before the scheduled date for holding the Shareholders' Meeting, that is, until June 14, 2012, considering that the Shareholders' Meeting will be held on second call, shareholders may request any information or clarification they consider necessary, or submit in writing any questions they consider should be asked, concerning the items on the agenda or any publicly available information provided by the Company to the CNMV (the Spanish Securities Market Commission), or the auditor's report. Any requests for information or clarification and the submission of questions must be sent in writing to the Shareholder Office (IAG) and handed in directly at the registered office (calle Velázquez, 130, Madrid, Monday to Friday, from 0900 to 1400 and from 1500 to 1800 (CET)) or sent by post (to the above address) or by e-mail (shareholder.services@iairgroup.com), mentioning the name of the shareholder making the request and the address for the purpose of replying.

RIGHT TO ATTEND AND RIGHT OF REPRESENTATION

Shareholders who have shares entered in their name on the relevant record of book entries at least five days before the date scheduled for the Shareholders' Meeting, that is, not later than June 15, 2012, and evidence this by producing the appropriate attendance, proxy and remote vote card, will be entitled to attend the Shareholders' Meeting in a speaking and voting capacity.

Holders of CREST depository interests (CDI) representing shares in the Company will not be entitled to attend or vote or exercise other shareholder rights at the Shareholders' Meeting unless they have been appointed as proxy to attend and speak at the Shareholders' Meetings and to vote the underlying shares to which such holder is entitled. Further information on the requirements for CDI holders to appoint proxies is set out in this notice.

All shareholders authorised to attend the Shareholders' Meeting may appoint any other person to represent them by fulfilling the requirements and formalities laid down to this end.

Attendance, proxy and remote vote cards will be issued and sent out by the Company to the addresses of the shareholders, as they appear on the Company's share register. Attendance, proxy and remote vote card forms will be available on the Company's website (www.iairgroup.com).

In order for the proxy to be valid, it must be accepted by the proxy-holder. Save for the provisions regarding remote proxies, proxy-holders must record their acceptance on the attendance, proxy and remote vote card that has been signed as required by the proxy-holder. This notwithstanding, all of the Board members have stated their personal decision to accept and carry out all proxies conferred on them, meaning that it will not be necessary for them to sign each individual attendance, proxy and remote vote card appointing them as proxies in order to leave record of their acceptance.

PROXIES AND VOTING BY REMOTE MEANS

Shareholders may appoint proxies or cast their vote prior to the Shareholders' Meeting using the following remote means of communication:

- a) By post: by sending their original attendance, proxy and remote vote card, with the relevant section duly completed and signed, to the Company at the registered office: calle Velázquez, 130, 28006 Madrid – Shareholder Office (IAG).
- b) Electronically: on the Company's website (www.iairgroup.com), by following the instructions given and using their electronic DNI (DNIE) or their digital signature based on a recognized and valid certificate issued by the Spanish Public Certification Entity (CERES) attached to *Fábrica Nacional de Moneda y Timbre*.

Proxies appointed or remote votes cast using any of the remote means set out above must be received by the Company not later than midnight on the day immediately preceding the date scheduled for the Shareholders' Meeting that is, not later than midnight June 20, 2012, considering that the meeting will be held on second call. Otherwise, proxies will be considered not to have been appointed for the meeting or remote votes will be considered not issued.

Attendance at the Shareholders' Meeting by the represented shareholder, whether in person or by having voted using remote means, will revoke the appointment of a proxy, regardless of the date of the appointment.

The Company will not be liable for any loss caused to shareholders as a result of malfunctions, overloads, line failures, connection failures or any other contingency of the same or a similar nature, beyond the control of the Company, that prevent the use of electronic mechanisms. The Company also reserves the right to modify, suspend, cancel or restrict the procedures for electronic voting and proxies where technical or security reasons make this necessary or obligatory. It is exclusively the responsibility of shareholders to keep their electronic certificates safe. The Company will not be liable for any loss caused to shareholders as a result of failures or delays caused by deficiencies in the postal service beyond the control of the Company.

CDI holders may issue instructions for the appointment of proxies in accordance with the instructions set out in this notice.

CDI HOLDERS

CDI holders who wish to attend the Shareholders' Meeting and vote the underlying shares to which such holder is entitled must complete and return a form of instruction to Computershare Investor Services Plc ("**Computershare**"), by 1100 (GMT) on June 17, 2012, to appoint themselves as a proxy. Persons who hold an interest in CDIs through the IAG Nominee Service operated by Computershare Company Nominee Limited and who wish to attend the Shareholders' Meeting must complete and return a form of instruction to Computershare, by 1100 (GMT) on June 17, 2012, to appoint themselves as a proxy. Computershare shall post a form of instruction to the registered address held by Computershare for each person who holds CDIs or an interest in CDIs through the IAG Nominee Service. Further information is available for CDI holders or persons who hold an interest in CDIs through the IAG Nominee Service from Computershare on + 44 87 0702 0110 during 0900 and 1700 (GMT).

SHAREHOLDERS' ELECTRONIC FORUM

Pursuant to the legislation in force, the Company has set up on its website (www.iairgroup.com) a Shareholders' Electronic Forum, which will be used in keeping with its legal purpose and the safeguards and operating rules established by the Company, and may be accessed by all appropriately authorized shareholders and shareholders' associations.

LIVE BROADCAST OF THE MEETING

To enable the meeting to be followed and appropriately relayed, the conduct of the meeting will be broadcast in real time with simultaneous interpretation into English at a venue with suitable facilities at the Queen Elizabeth II Conference Centre, London (United Kingdom), where CDI holders may follow the conduct of the Shareholders' Meeting using remote connection systems, without this implying in any way that they can exercise the rights to attend, participate and vote at that venue.

DATA PROTECTION

Any personal data that the shareholders may provide to the Company (when exercising or delegating their rights to information, attendance, and representation and to vote at the Shareholders' Meeting) or that may be provided by the depository institutions or custodians for the shares of the shareholders or the institutions required by securities market legislation to keep records of securities represented by book entries, will be processed by the Company for the purpose of managing the performance, fulfilment and monitoring of shareholder relations (including but not limited to, calling and holding Shareholders' Meetings and relaying them). For these purposes, the data will be included in filing systems controlled by the Company. The data will be provided to the notary's office for the purposes of drawing up the notarised minutes of the Shareholders' Meeting.

Data subjects will have the right to access, rectify, object to and cancel the data collected by the Company in all cases and where legally permitted. These rights may be exercised, on the terms and in accordance with, the requirements established for this purpose in the legislation in force, by applying in writing to the Shareholder Office at the registered office (calle Velázquez, 130, 28006 Madrid).

Where the attendance, proxy and remote vote card contains personal data concerning other individuals, the shareholder must inform them of the terms set out in the preceding paragraphs and fulfil any other requirements that may be applicable for the correct disclosure of the personal data to the Company, without the Company having to perform any further steps.

ADDITIONAL INFORMATION

In order to obtain additional information on this Shareholders' Meeting, shareholders may contact the Shareholder Office (IAG) located at calle Velázquez, 130, Madrid in person, by phone on +34 915 878 974 between 0900 and 1400 and 1500 and 1800 (CET), Monday to Friday, from Monday 14 May until the conclusion of the Shareholder' Meeting, or by e-mail at the following addresses: institutional investors: investor.relations@iairgroup.com and private shareholders: shareholder.services@iairgroup.com. Shareholders and CDI holders can also contact IAG Shareholder Department on +34 913 126 440 or +44 20 8564 2900, respectively.

PRESENCE OF A NOTARY AT THE SHAREHOLDERS' MEETING

The Board of Directors has resolved to request the presence of a notary to draw up the minutes of the Shareholders' Meeting, in accordance with the provisions of Article 203 of the Companies Law.

Madrid, 10 May 2012. The Secretary of the Board of Directors, Mr. Fernando Vives Ruiz.