

**RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS OF
INTERNATIONAL CONSOLIDATED AIRLINES GROUP, S.A. TO THE 2013
EXTRAORDINARY SHAREHOLDERS' MEETING**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you are recommended to seek your own financial or professional advice immediately from your stockbroker, bank, solicitor, accountant, fund manager or other appropriate independent financial adviser.

If you sell or have sold or otherwise transferred all of your shares in International Consolidated Airlines Group, S.A. before September 20, 2013, please forward this document and any accompanying documentation as soon as possible to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of shares, you should retain this document and the accompanying documentation, and you should consult with the bank, stockbroker or other agent through whom the sale or transfer was effected.

1. APPROVAL OF THE PROPOSED PURCHASE OF 18 BOEING 787 AIRCRAFT BY BRITISH AIRWAYS PLC.

PROPOSED RESOLUTION:

RESOLUTION 1

“To approve the proposed purchase of 18 Boeing 787 aircraft by British Airways Plc on the terms and conditions described in the circular dated August 19, 2013.”

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2. APPROVAL OF THE PROPOSED PURCHASE OF 18 AIRBUS A350 AIRCRAFT BY BRITISH AIRWAYS PLC.

PROPOSED RESOLUTION:

RESOLUTION 2

“To approve the proposed purchase of 18 Airbus A350 aircraft by British Airways Plc on the terms and conditions described in the circular dated August 19, 2013.”

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3. APPROVAL OF THE PROPOSED PURCHASE OF 30 AIRBUS A320CEO AIRCRAFT AND 32 AIRBUS A320NEO AIRCRAFT BY VUELING AIRLINES, S.A.

PROPOSED RESOLUTION:

RESOLUTION 3

“To approve the proposed purchase of 30 Airbus A320ceo aircraft and 32 Airbus A320neo aircraft by Vueling Airlines, S.A. on the terms and conditions described in the circular dated August 19, 2013.”

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4. APPOINTMENT OF MR. ENRIQUE DUPUY DE LÔMÉ CHÁVARRI AS A DIRECTOR, CLASSIFIED AS EXECUTIVE DIRECTOR.

EXPLANATION:

In this resolution the Board of Directors proposes to the Shareholders' Meeting the appointment of Mr. Enrique Dupuy de Lôme Chávarri as a director, classified as executive director, upon proposal of the Nominations Committee. Mr. Enrique Dupuy de Lôme Chávarri is the Chief Financial Officer of the Company.

- Professional profile and biographical data of Mr. Enrique Dupuy de Lôme Chávarri:

Enrique Dupuy became chief financial officer of IAG in January 2011, joining from Iberia where he was chief financial officer from 1990. He is responsible for the company's financial strategy and development, investor relations, treasury and financial risk management, group investments, accounting and audit.

As Iberia's chief financial officer he led areas such as finance, investment and procurement. Between 2007 and 2009, he also played a leading part in Iberia's strategic planning.

He currently sits on the boards of Amadeus, British Airways and Iberia, as well as being chairman of Iberia Cards.

Prior to joining Iberia, he was head of finance and deputy director of financial resources at INI (Instituto Nacional de Industria) and Teneo financial group. He was also previously head of subsidiaries at Enadimsa (INI Group).

Enrique has a degree in mining engineering from Universidad Politécnica de Madrid, and completed a Master's degree in economics and business administration at IESE (Barcelona) and a Master's degree in european studies at CEU (Madrid).

- Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company held: Mr. Enrique Dupuy de Lôme Chávarri owns 100 shares in IAG. In addition, he has interests in shares as a result of share options and awards made pursuant to the IAG share schemes as detailed below:

| <i>Plan</i> | <i>Date of grant / award</i> | <i>Exercise Price</i> | <i>Earliest exercise/ vesting date</i> | <i>Expiry date</i> | <i>Shares under option/ within award</i> |
|-------------|------------------------------|-----------------------|---|--------------------|--|
| PSP 2011 | March 31, 2011 | n/a | Subject to satisfaction of performance conditions | n/a | 249,350 |
| IADP 2012 | August 3, 2012 | n/a | August 3, 2015 | n/a | 37,267 |

| <i>Plan</i> | <i>Date of grant / award</i> | <i>Exercise Price</i> | <i>Earliest exercise/ vesting date</i> | <i>Expiry date</i> | <i>Shares under option/ within award</i> |
|-------------|------------------------------|-----------------------|---|--------------------|--|
| PSP 2012 | August 3, 2012 | n/a | Subject to satisfaction of performance conditions | n/a | 372,670 |
| IADP 2013 | March 6, 2013 | n/a | March 6, 2016 | n/a | 62,241 |
| PSP 2013 | March 6, 2013 | n/a | Subject to satisfaction of performance conditions | n/a | 248,963 |

PROPOSED RESOLUTION:

RESOLUTION 4

“To appoint Mr. Enrique Dupuy de Lôme Chávarri as a director for the by-law mandated three-year term, upon proposal of the Nominations Committee, with the status of executive director.”

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5. DELEGATION OF POWERS TO FORMALISE AND EXECUTE ALL RESOLUTIONS ADOPTED BY THE SHAREHOLDERS AT THIS SHAREHOLDERS' MEETING.

PROPOSED RESOLUTION:

RESOLUTION 5

“To confer authority on, and to delegate powers to, the Board of Directors, with the express power of substitution, to the fullest extent permitted by law, to execute the foregoing resolutions, including: (i) to do all such things and procure that all such things are done, as may be necessary or expedient to complete or give effect to, or otherwise in connection with, the proposed purchases approved in the previous resolutions, and any other agreements or arrangements ancillary or incidental to them; and (ii) to agree to such modifications, variations, revisions, waivers or amendments to the proposed purchases approved in the previous resolutions provided such modifications, variations, waivers or amendments are not material, in either such case as it may in its absolute discretion think fit.”

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August 2013