
Operating performance

The load factor improved by 4.1 points, reaching 80.6%, the highest level among the main network carriers. Capacity, measured in available seat kilometres (ASK), reduced by 7.7%, and traffic dropped by 2.8%, with significant increases of load factors in all international sectors. Unit revenues continued to recover, improving over February 2009, despite the 3.6% increase in the average stage length.

In the **long haul** the load factor improved by 4.3 points, to 86.8%, with a 6.0% reduction in capacity. Likewise, the *mix* continued to improve, with a 6.0% increase in Business Plus passengers. In Latin America the load factor improved by 3.7 points, to 88.9%, with a 5.5% adjustment in ASK and a 1.4% decrease in RPK. In the North Atlantic the load factor improved by 8.9 points, standing at 75.9%; traffic rose by 6.4% while capacity dropped by 6.2%, due to adjustments in some routes and the utilization of smaller aircraft in some flights.

In **Europe** the load factor improved by 4.7 points, reaching 70.5%. Capacity went down 13.9%, corresponding half of the decrease to the adjustment plan in point to point routes that finalised in October 2009. European traffic to/from Madrid fell by 1.6%, improving the load factor by 4.1 points. In **Africa and the Middle East** traffic grew by 10.5% while capacity remained at the same level as the previous year; consequently, the load factor improved by 7.2 points, reaching 77.6%.

The **domestic** load factor stood at 68.8% (+ 0.1 points), with a 6.8% capacity reduction and a 6.7% drop in traffic. In flights between Madrid and Barcelona the load factor improved by 7.6 points, with an 11.1% reduction in capacity.

Highlights

- The process of the joint business agreement between Iberia, American Airlines and British Airways to fly between Europe and the North Atlantic is in progress. In February the US Department of Transport provisionally approved the request of antitrust immunity made by the **oneworld** companies. In March, 10 the European Commission opened the period for consultations (market test) for one month. Once the European Union and the US DoT give their approval, Iberia, American Airlines and British Airways will get the agreement going likely in the second half of 2010.
- Next 29th of March, Iberia will resume direct flights to Washington, with three weekly frequencies that will become four from June to August.
- Kingfisher Airlines, the leader airline in the Indian domestic market, signed a binding agreement (*memorandum of understanding*) as a previous step to its incorporation to **oneworld** (alliance of which Iberia is part). Once the Indian regulatory authorities approve its entry in **oneworld**, the integration process will begin, so it could join the alliance in 2011.



	February			Accumulated		
	2010	2009	%	2010	2009	%
ASK (million)	4,454	4,825	-7.7	9,365	10,021	-6.5
Domestic	624	670	-6.8	1,269	1,332	-4.7
Medium Haul	1,083	1,233	-12.1	2,245	2,490	-9.9
Europe	931	1,081	-13.9	1,921	2,172	-11.6
África* and Middle East	152	152	0.3	324	318	2.1
Long Haul	2,747	2,922	-6.0	5,851	6,199	-5.6
RPK (million)	3,589	3,692	-2.8	7,520	7,543	-0.3
Domestic	429	460	-6.7	846	855	-1.1
Medium Haul	774	818	-5.3	1,556	1,575	-1.2
Europe	656	711	-7.7	1,313	1,359	-3.4
África* and Middle East	118	107	10.5	243	215	12.7
Long Haul	2,385	2,413	-1.2	5,118	5,113	0.1
Load factor (%)	80.6	76.5	4.1 p.p.	80.3	75.3	5.0 p.p.
Domestic	68.8	68.7	0.1 p.p.	66.6	64.2	2.4 p.p.
Medium Haul	71.5	66.4	5.1 p.p.	69.3	63.2	6.1 p.p.
Europe	70.5	65.8	4.7 p.p.	68.4	62.6	5.8 p.p.
África* and Middle East	77.6	70.4	7.2 p.p.	74.8	67.7	7.1 p.p.
Long Haul	86.8	82.6	4.3 p.p.	87.5	82.5	5.0 p.p.

- Excluding South Africa