**PRESS RELEASE**

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*For immediate use*

**HEATHROW NOW ONLY 2 PERCENT UK OWNED WITH DEBT BURDEN AT £17BN**

The latest ownership figures confirm that just two precent (2%) of Heathrow Airport is UK owned. After the recent shake up of the Airport’s ownership, the UK’s Universities Superannuation scheme is now the sole UK shareholder, with just 2.1 percent (2.1%) of total shares.

The full list of shareholders is now (1):

·      Ardian (22.61 percent)

·      Qatar Investment Authority (20 percent)

·      Public Investment Fund (15.01 percent)

·      GIC (11.2 percent)

·      Australian Retirement Trust (11.18 percent)

·      China Investment Corporation (10 percent)

·      Ferrovial (5.25 percent)

·      Caisse de depot et placement du Quebec (CDPQ) (2.65 percent)

·      Universities Superannuation Scheme (2.1 percent)

The largest shareholder, Ferrovial, set the shake up of ownership in motion by announcing that it was selling the bulk of its holding because Heathrow could no longer offer a dependable dividend yield.

Yet, trying to put a positive spin on this expression of diminishing confidence in Heathrow, the airport’s new CEO Thomas Woldbye claimed that the completion of Ferrovial’s sale of 20% of total shares was a “good day for Heathrow” and that the “energised group of shareholders” will help the airport achieve the next stage of its plans, which is could still include a third runway (2).

However, campaigners against the Airport’s expansion questioned whether Heathrow could afford its 3rd runway, given both the increase in costs over the past five years, and the airports parlous finances.

In 2018, the airport had claimed its expansion would cost £14bn; yet current estimates put the figure at close to £30bn. Campaigners also highlight that Heathrow has only just returned to profitability on its day-to-day operations  (for first time since 2019), while its colossal debt burden of nearly £17bn (3), is almost double the company’s value based on the recent sale of shares to Ardian and the Saudi Private Investment Fund.

The airport is also about to enter formal engagement with the Civil Aviation Authority on the next price review period which will determine the value of passenger charges that the airport can levy on airlines (which are already the world’s highest). The previous negotiation involved appeals to the Competition and Markets Authority who ruled that the CAA had achieved the right balance when endorsing the regulator's decision to cut Heathrow charges by 6%. A similar debate lies ahead adding further to the financial uncertainty of the airport.

**Paul McGuinness, Chair of the No 3rd Runway Coalition, said:**

“Although it may be a source of surprise that the UK’s biggest airport is now just 2 percent UK owned, it speaks volumes that UK investors and our main pension funds have stayed clear of Heathrow.

“The airport’s financial model has been to mortgage every asset to release cash for the payment of large dividends to its shareholders. Yet having already mortgaged every asset to the hilt, to increase its debt by £14bn to fund such dividend payments, its overall debt mountain has already been taken well beyond the total value of the airport’s assets.

“Heathrow’s debt based financial model has run its course. Its finances are in a parlous state. And with the assets have already been stripped to pay dividends, it is obvious why Heathrow’s largest shareholder was so keen to sell up the bulk of its holding and force this shake-up in ownership”.

*ENDS.*

Notes:

1. Heathrow’s new shareholders <https://www.heathrow.com/company/about-heathrow>
2. Email from Heathrow CEO to staff, 13 December 2024
3. Heathrow’s debt burden, <https://www.heathrow.com/content/dam/heathrow/web/common/documents/company/investor/credit-ratings/moodys/Credit_Opinion-Heathrow-Finance-plc-Update-13Mar2024-PBC_1383484.pdf>, p. 6

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