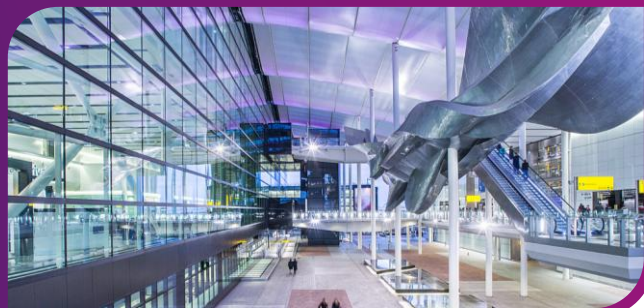


HEATHROW (SP) LIMITED

RESULTS FOR THE SIX MONTHS
ENDED 30 JUNE 2025



More passengers choosing Heathrow – We welcomed more passengers in the first six months of 2025 than ever before, hitting a record 39.9 million despite macroeconomic uncertainty and geopolitical events. Larger aircraft and strong demand for Asia-Pacific and Middle East destinations were the primary growth drivers. Transatlantic travel remains healthy, and these links contributed to a 2.4% growth in trade through Heathrow. With a busy summer holiday getting underway and continued strong leisure demand, we remain on-track to meet our forecast of over 84 million passengers this year.

Most punctual hub in Europe underscores improving service⁽¹⁾ – More flights are departing on-time from Heathrow this year versus any other major hub in Europe in a sign that our strategy to boost service levels is working. This strong performance is coupled with 98% of passengers waiting less than five minutes at security and circa 99% of bags travelling with their passengers. These achievements were most recently recognised earlier this year by *Travel Weekly* readers who awarded Heathrow Best UK Airport.

Robust H1 EBITDA – In the first six months of 2025, revenue grew 1.9% to £1,724 million (2024: £1,692 million). The higher revenue was driven by more long-haul flying and more passengers enjoying Heathrow's world-class retail and food and beverage options. Adjusted operating costs increased by 3.2% to £765 million (2024: £741 million) due to higher maintenance costs to support operational performance, increased National Insurance contributions and higher electricity prices. Adjusted EBITDA increased 0.8% to £959 million (2024: £951 million). No dividend payments were made to Heathrow shareholders in Q2 2025.

Our next five-year investment plan will deliver the outcomes customers want – Our 2027-2031 investment plan is the next step in our strategy to become an extraordinary airport, fit for the future. Built around customer feedback and insight, our plan will improve passenger experience, boost operational resilience and enable airline growth. It is designed to be delivered affordably with the airport charge remaining competitive with global hubs and below what it was a decade ago. This private investment in UK infrastructure will boost jobs and drive growth in this Parliament. The CAA is now reviewing the plan.

Unlocking new capacity at the UK's gateway to growth – We will submit our proposal to Ministers by July 31st on how we can secure long-term capacity growth at the UK's hub airport. Our plans will be entirely privately financed and have the potential to kickstart economic growth across the whole of the UK from construction through to operation. Depending on the Government's response, we would aim to meet their ambition to secure planning permission in this Parliament and for the runway to be operational by 2035. New capacity would boost competition and choice for consumers, drive economic growth for the UK and improve operational resilience at the UK's hub airport.

As at or six months ended 30 June	2025	2024	Change (%)
(£m unless otherwise stated)			
Revenue	1,724	1,692	1.9
Adjusted EBITDA ^{(2) (5)}	959	951	0.8
Cash generated from operations	863	922	(6.4)
Profit before tax	203	323	(37.2)
Adjusted profit before tax ^{(3) (5)}	121	178	(32.0)
Heathrow (SP) Limited consolidated nominal net debt ^{(4) (5)}	15,126	14,698	2.9
Heathrow Finance plc consolidated nominal net debt ^{(4) (5)}	17,054	16,630	2.5
Regulatory Asset Base ⁽⁵⁾⁽⁶⁾	21,029	20,422	3.0
Passengers (millions) ⁽⁷⁾	39.9	39.8	0.3

"We are delivering on our vision to become an extraordinary airport, fit for the future. We are welcoming record passenger numbers and improving the services that matter most. Our new five-year investment plan will mean faster, more reliable journeys, more on-time flights and unlock room to grow – all while delivering better value for customers. We will soon submit our long-term expansion plans to the Government, providing the UK with the opportunity to stay competitive, boost jobs and drive nationwide growth. Heathrow has an exciting future ahead and we are ready to get going."

Thomas Woldbye | Heathrow CEO

NOTES

- (1) vs. European Union hubs
- (2) EBITDA for the six months ending 30 June 2025 of £905 million (30 June 2024: £985 million) is profit before interest (including fair value gains and losses on financial instruments), taxation, depreciation, amortisation and exceptional items (if any). Adjusted EBITDA is profit before interest (including fair value gains and losses on financial instruments), taxation, depreciation, amortisation, fair value gains and losses on investment properties and exceptional items (if any).
- (3) Adjusted profit before tax excludes fair value gains and losses on investment properties and financial instruments and exceptional items (if any).
- (4) Consolidated nominal net debt is short and long-term debt less qualifying cash and cash equivalents and term deposits. It includes index-linked swap accretion and the hedging impact of cross-currency interest rate swaps. It excludes pre-existing lease liabilities recognised upon transition to IFRS 16, accrued interest, bond issue costs and intra-group loans. 2024 figures are as at 31 December 2024.
- (5) The performance of the Group is assessed using a number of Alternative Performance Measures ('APMs'), including adjusted EBITDA, adjusted profit before tax, consolidated nominal net debt and the Regulatory Asset Base. Management believe that APMs provide investors with an understanding of the underlying performance of the Group. A reconciliation of our APMs can be found in note 14.
- (6) The Regulatory Asset Base ('RAB') is a regulatory construct, based on predetermined principles not based on IFRS. It effectively represents the invested capital uplifted by inflation on which we are authorised to earn a cash return. 2024 figures are as at 31 December 2024.
- (7) Changes in passengers are calculated using unrounded passenger numbers.

Heathrow (SP) Limited is the holding company of a group of companies that fully own Heathrow Airport and together with its subsidiaries is referred to as the Group. Heathrow Finance plc, also referred to as Heathrow Finance, is the parent company of Heathrow (SP) Limited.

Creditors and credit analysts conference call hosted by Thomas Woldbye, CEO and Sally Ding, CFO.

Wednesday July 23rd, 2025

3.00pm (UK time), 4.00pm (Central European Time), 10.00am (Eastern Standard Time)

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Webcast Audience URL:

<https://onlinexperiences.com/Launch/QReg/ShowUUID=A7D51B36-636E-451B-9697-0186CD564143>

This link gives participants access to the live event.

Audio Conference Call Access:

<https://emporal.ink/44KxOZz>

This link allows participants to register to obtain their personal audio conference call details.

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Any reference to "Heathrow" means Heathrow (SP) Limited (a company registered in England and Wales, with company number 6458621) and will include its parent company, subsidiaries and subsidiary undertakings from time to time, and their respective directors, representatives or employees and/or any persons connected with them.

These materials must be read in conjunction with the Heathrow (SP) Limited Annual Report and Financial Statements for the year ended 31 December 2024.

BUSINESS UPDATE

We have outlined key performance metrics that illustrate our progress for the six months ended 30 June 2025. The glossary section of this report provides detailed definitions for each indicator.

Passenger traffic

Passenger traffic (millions) ⁽¹⁾	2025	2024	Var (%) ⁽²⁾
UK	2.2	2.3	(4.3)
Europe	15.8	15.9	(0.6)
North America	9.7	9.7	0.0
Asia Pacific	5.4	5.2	3.8
Middle East	4.1	4.0	2.5
Africa	1.6	1.6	0.0
Latin America	1.1	1.1	0.0
Total passengers	39.9	39.8	0.3

(1) For the six months ended 30 June.

(2) Calculated using rounded passenger figures.

Other traffic performance indicators ⁽¹⁾	2025	2024	Var (%) ⁽²⁾
Passenger ATM	233,514	231,447	0.9
Seat factor (%)	77.3	78.0	(0.9)
Seats per ATM	221.0	220.5	0.2
Cargo tonnage ('000) ⁽³⁾	783	765	2.4

(1) For the six months ended 30 June.

(2) Calculated using rounded figures.

(3) Cargo tonnage includes mail volumes.

For the first half of the year, the increase in traffic was primarily driven by an incremental year-on-year increase in passenger Air Transport Movements (ATMs) and Seats per Air Transport Movement (ATM). While 2024 benefited from an additional operational day as a result of the leap year, this year's performance reflects strong underlying demand. Passenger demand has been mixed across regions with most of the growth coming from Asia Pacific, Middle East and Latin America. Our cargo tonnage has seen continued growth during the first six months of the year, because of increased trade activity with North America ahead of the introduction of tariffs announced earlier this year.

Service and operational performance

Service standard performance indicators ⁽¹⁾	2025	2024
ASQ	4.06	4.02
Arrival punctuality (%)	81.1	69.8
Departure punctuality (%)	80.8	72.8
Security performance (%) ⁽²⁾	98.5	98.3
Baggage connection (%)	98.9	98.4

(1) For the six months ended 30 June.

(2) 2024 comparative restated to be comparable H1 number.

In the first six months of 2025, we achieved an overall ASQ rating of 4.06 out of 5.00 (2024: 4.02) notwithstanding higher passenger numbers. Overall, 77 % of passengers surveyed between January and June 2025 rated their Overall Satisfaction with Heathrow as either 'Excellent' or 'Very good' (2024: 76%), with perceptions shifting from lower ratings towards 'Excellent'. The proportion of 'Poor' ratings was low at 0.4%.

Improvements compared to the same period in 2024 were particularly evident across 'Security' attributes. Other

noticeable performance uplifts included 'Ease of Making Connections with other Flights', 'Signage to Access the Terminal', and 'Ease of Getting to the Airport'.

Operational performance has been robust in the first six months of 2025. Security performance remains strong with 98.5% of regulated queue times in Central Search Areas below 5 minutes (2024: 98.3%) as the benefits of the CTiX scanner lanes provided by the Next Generation Security project are realised. We reported a marked improvement in arrivals and departures punctuality in the first six months compared with the same period in 2024 as the positive collaboration amongst ground handlers and airlines continues to drive process improvement as well as the impact of more stable weather conditions. Baggage performance has increased to 98.9% (2024: 98.4%) thanks to strong arrivals punctuality and handling improvements.

Capital expenditure

During the first six months of 2025, £570 million (2024: £552 million) of capital expenditure was incurred. This included £56 million in capital creditors movements (2024: £127 million for the acquisition of a building, as well as £32 million in capital creditors movements).

We continue to deliver our H7 Capital Plan, comprising over 450 projects across six programmes. Significant progress has been made in the deployment of CTiX scanners, with the majority of passengers now benefiting from this advanced security technology. 95% of our security officers and all engineering staff have completed training, ensuring a smooth and secure transition. We reached a major milestone with the finalisation of the Terminal 2 (T2) Baggage system design, developed in collaboration with five multidisciplinary partners. As part of the transition to the new system, five projects have been completed to maintain service and capacity of the existing baggage system currently housed in Terminal 1 (T1) until the new design is launched and fully operational. Our sustainability efforts continue to gain momentum. New EV charging stations are now operational airside in T2 and Terminal 3 (T3), supporting both airline operations and colleague transportation. We have installed new pre-conditioned air systems to 12 stands at T3 and Terminal 5 (T5) resulting in direct carbon savings from the reduction in aviation fuel burn. To elevate the passenger experience, we have introduced new retail and food & beverage offerings in T5 and an improved Heathrow Express website. The demolition of the Eastern Business Park has been completed, contributing to our long-term asset strategy and paving the way for future commercial development. We have commenced resurfacing works on the Northern Runway and taxiways. New high-tech runway temperature and icing sensors on the Southern Runway have also been installed. Under the Efficient Airport Programme we introduced a time stamp detection system across most of T5 as well as initial rollouts to T2 and T3, driving optimisation of activity to support punctuality. Enhanced flight data messages with Europe have also supported the delivery of additional airspace capacity and reduced delays.

Power Outage

The fire at the North Hyde substation on 21st March resulted in a wide-scale power outage and the need for Heathrow to

temporarily close. Heathrow commissioned former Secretary of State for Transport Ruth Kelly to conduct a review, in order to provide a detailed account of the events surrounding Heathrow's preparedness and response to the outage. We have accepted and will implement all 28 recommendations, which are intended to strengthen the airport's resilience and ability to respond effectively to future incidents.

National Energy Systems Operator ("NESO") has published its final report from the review into the North Hyde Substation outage. The report finds clear failings by National Grid Electricity Transmission ("NGET") that resulted in a loss for both Heathrow and airlines. We welcome this report which provides important insight into the external power supply failure that led to the airport's closure. Our expectation is that NGET takes accountability for these failings which the NESO report confirms could have been prevented.

H8 Business Plan

Heathrow submitted its H8 business plan to the Civil Aviation Authority (CAA) in July 2025 as part of the next price control period, 2027-2031.

Our plan builds on our recent service improvements and is the next step in our strategy to become an extraordinary airport, fit for the future. The plan focuses on improving passenger experience, boosting operational resilience and unlocking additional capacity and growth for airlines in the medium-term. It includes stretching targets which will deliver greater value for money for customers, including 6% savings on operational costs (c. £300 million) and £500 million savings on the capital spend. With a £2 billion equity contribution from shareholders, the plan is affordable resulting in a 17% increase in the average aeronautical charge over the period – which remains below what it was a decade ago in real terms. Combined the plan will deliver 15 key outcomes for customers, including:

- 99% of bags travelling with passengers.
- 80% of flights departing on-time.
- 95% of passengers waiting less than five minutes at security.
- A step-change in service with more choice for passengers requiring additional support.
- Capacity for 10m more passengers annually.
- 20% increase in cargo capacity.
- Reduction in carbon emissions equivalent to 15% of 2024's footprint.

Full details of Heathrow's plan can be found on our website¹.

The CAA will now review and evaluate our plan over the next 12-18 months with their Initial Proposals to be published in March 2026. The overall H8 timeline has been delayed, with the final decision now expected in April 2027 - after the start of the H8 period – where a 2027 holding cap is likely, based on CAA's Initial Proposals).

Separately in July, the CAA published the initial scope of the wider Expansion Regulatory review. It is likely a formal consultation will launch in the Autumn of 2025 which Heathrow will respond to.

Long-term growth and capacity developments

In February, following the Government's demand for a third runway at Heathrow, we announced our investment plan to expand the UK's Gateway to Growth. With Heathrow at capacity, meeting growing demand is not possible without expansion, curtailing the UK's international competitiveness.

In the next stage of the process, we will submit our proposal to Government by July 31st. This will set out the Masterplan to secure long-term capacity growth, the investment programme, and what we need from Government to meet their ambition of receiving planning permission by the end of this Parliament. We will consider Government feedback on the proposal and progress on the policy changes required to deliver expansion before moving forward with a decision on applying for planning permission.

Connecting People and Planet

We published our 2024 Sustainability Report in March, demonstrating clear progress against our Connecting People and Planet Strategy objectives. During the first six months of the year, Heathrow maintained momentum across its sustainability strategy.

"In The Air", we have reduced emissions by 7.5% from 2019 to 2024 driven by carbon savings from Sustainable Aviation Fuel ("SAF"). Final analysis of 2024 data shows that SAF made up 2.9% of total jet fuel at Heathrow, exceeding our 2.5% target. In May, the Government introduced the SAF Bill to Parliament outlining next steps for a Revenue Certainty Mechanism. This is a major milestone towards de-risking investment in UK SAF production, an initiative Heathrow has long advocated for.

"On The Ground", we have reduced emissions by 14.6% from 2019 to 2024. Transition to low-emission vehicles has accelerated with new EV bus charging infrastructure implemented at T5. Lower carbon HVO (bio-diesel) usage by airport vehicles has also risen from 5% in 2023 to over 70% at June 2025. We have made positive progress in meeting our H7 surface access targets, most notably in passenger public transport mode share (45.2% in 2024 vs 45% H7 target), colleague single occupancy vehicle mode share (52% in 2024 vs 57% H7 target) and public transport catchment targets. This has been achieved through enhancements to the public transport network including the Elizabeth line and new bus and long-distance coach routes.

Recognising the need for pace and action - with our supply chain footprint currently 14% above the 2019 baseline due to increased capital expenditure - we completed an independent gap analysis to identify the steps needed to align our capital programmes with industry carbon management standards. This forms part of our journey toward PAS 2080 verification - the world's first specification for managing whole-life carbon in infrastructure - and embedding low-carbon principles into future investments.

Over 85% of airlines used quieter aircraft in 2024 (vs 65% in 2019) complying with the latest international noise standard. We recently updated our balanced scorecard to better align our top tier supply chain partners reporting against our

¹ [Heathrow's H8 Business Plan: 2027-2031](#)

sustainability strategy. Heathrow manages approximately 170 hectares of land across 13 biodiversity sites and we were awarded the London Wildlife Trusts biodiversity benchmark award for the 18th consecutive year for 10 of these sites this year.

Key management changes

His Excellency Jassem Saif Ahmed Al-Sulaiti was appointed as director on the HAHL Board on 16 April 2025 representing QIA. Lord Paul Deighton has extended his tenure as Chair of the HAHL Board for a limited period while a new Chair is appointed. The Nominations Committee has started its process to appoint the new Chair. Luke Bugeja resigned as a director of the HAHL Board on 3 July 2025 and William Briggs was appointed as a director representing Ardian with effect from the same date.

Ultimate shareholder update

On 3 July 2025 Ardian completed its acquisition of an additional 10.00 per cent stake in FGP Topco Limited, the holding company for Heathrow Airport Holdings Limited, from Ferrovial SE, Caisse de dépôt et placement du Québec (CDPQ) and the Universities Superannuation Scheme (USS), the applicable regulatory conditions having been satisfied. Ardian now holds a 32.61 per cent stake of the FGP Topco Limited in total.

Principal risks

The principal strategic, corporate, and operational risks as at 30 June 2025 remain unchanged and are consistent with those set out in the Annual Report and Financial Statements for the year ended 31 December 2024.

The recent North Hyde substation operational outage fell within the scope of the Organisational Resilience principal risk, as detailed on page 49 of the 2024 Annual Report. This principal risk captures the potential for major critical events that could lead to significant operational and business impact, including disruption or potential closure of the airport.

FINANCIAL REVIEW

Basis of presentation of financial results

Heathrow (SP) Limited ('Heathrow SP') is the holding company of a group of companies (the 'Group'), which includes Heathrow Airport Limited ('HAL'), which owns and operates Heathrow Airport, and Heathrow Express Operating Company Limited ('Hex Opco') which operates the Heathrow Express rail service. Heathrow SP's consolidated financial statements are prepared in accordance with UK adopted international accounting standards.

The financial information presented within these condensed consolidated interim financial statements has been prepared

on a going concern basis. More detail can be found in the going concern statement on page 14.

Alternative Performance Measures ('APMs')

Management uses APMs to monitor performance as it believes this more appropriately reflects the underlying financial performance of the Group's operations. These remain consistent with those included and defined in the Annual Report and Financial Statements for the year ended 31 December 2024.

Summary performance

Six months ended 30 June	2025 £m	2024 £m
Revenue	1,724	1,692
Adjusted operating costs ⁽¹⁾	(765)	(741)
Adjusted EBITDA⁽²⁾	959	951
Depreciation and amortisation	(338)	(331)
Adjusted operating profit⁽³⁾	621	620
Net finance costs before certain re-measurements	(500)	(442)
Adjusted profit before tax⁽⁴⁾	121	178
Tax charge on profit/(loss) before certain re-measurements	(41)	(59)
Adjusted profit after tax⁽⁴⁾	80	119
Including certain re-measurements ⁽⁵⁾ :		
Fair value (loss)/ gain on investment properties	(54)	34
Fair value gain on financial instruments	136	111
Tax charge on certain re-measurements	(21)	(36)
Profit after tax	141	228

- (1) Adjusted operating costs exclude depreciation, amortisation, fair value gains and losses on investment properties and exceptional items (if any).
- (2) Adjusted EBITDA is profit before interest (including fair value gains and losses on financial instruments), taxation, depreciation, amortisation, fair value gains and losses on investment properties and exceptional items (if any).
- (3) Adjusted operating profit excludes fair value gains and losses on investment properties and exceptional items (if any).
- (4) Adjusted profit before and after tax excludes fair value gains and losses on investment properties and financial instruments, exceptional items (if any) and the associated tax impact of these.
- (5) Certain re-measurements consist of fair value gains and losses on investment property revaluations, gains and losses arising on the re-measurement of financial instruments, together with the associated fair value gains and losses on any underlying hedged items that are part of a cash flow, fair value and economic hedging relationship and the associated tax impact on these.

Revenue

For the six months ended 30 June 2025, revenue increased to £1,724 million (2024: £1,692 million), a 1.9% increase compared to the six months ended 30 June 2024.

Six months ended 30 June	2025 £m	2024 £m	Var. %
Aeronautical	1,079	1,068	1.0
Retail (incl parking)	365	360	1.4
Other	280	264	6.1
Total revenue	1,724	1,692	1.9

Higher aeronautical revenue driven by evolving passenger mix including an increase in long haul traffic, which has offset the impact of lower H7 charges set by the CAA. Retail revenue grew, supported by strong performance in VIP and Fast Track services and robust food and beverage sales. This was partially offset by softer performance in the luxury and duty-free

categories and continued weakness in the bureaux de change market. Other revenue increased, primarily due to growth in property income from new lets. More details can be found on page 17.

Adjusted operating costs

Adjusted operating costs increased by 3.2% to £765 million (2024: £741 million).

Six months ended 30 June	2025 £m	2024 £m	Var. %
Employment	230	236	(2.5)
Operational	226	213	5.6
Maintenance	122	114	7.0
Rates	59	58	1.7
Utilities and other	128	120	7.5
Adjusted operating costs⁽¹⁾	765	741	3.2

(1) Unadjusted operating costs for the six months ended 30 June 2025 were £1,157 million (2024: 1,038 million). This included depreciation and amortisation of £338 million (2024: £331 million) and fair value losses on investment properties of £54 million (2024: £34 million gain).

Employment costs decreased in the first six months of 2025, reflecting operational efficiencies and improved workforce planning. While there were increases in National Insurance, these were offset by reduced reliance on overtime. Operational costs increased, driven by ongoing cost pressures including enhanced security requirements, additional service mitigations, and higher contractual costs linked to National Insurance. Maintenance costs rose to support operational performance. Utilities and other costs were higher, reflecting increased electricity prices, marketing and digital costs, and spend on noise and vortex.

Net finance costs

In the six months ended 30 June 2025, net finance costs before certain re-measurements increased to £500 million (2024: £442 million). The RPI annual growth rate has increased year on year from 3.0% to 4.3%, resulting in a higher inflation accretion expense.

Fair value gain on financial instruments

A non-cash fair value gain on financial instruments of £136 million (2024: £111 million) is driven by movements in index-linked swap liabilities of £78 million and other derivatives of £58 million, respectively. The fair value is measured with reference to market expectations of inflation and interest rates: the inflation forward curve dropped by an average of 27bps and the interest rate forward curve decreased by an average of 52bps, resulting in a fair value gain

Taxation

The total tax charge for the six months ended 30 June 2025 was £62 million (2024: £95 million) on a profit before tax of £203 million (2024: £323 million).

The tax charge before certain re-measurements was £41 million (2024: £59 million). Based on a profit before tax and certain re-measurements of £121 million (2024: £178 million), this results in an effective tax rate of 33.9% (2024: 33.1%). This represents the best estimate of the annual effective tax rate expected for the full year, applied to the pre-tax profit before certain re-measurements for the six-month period. The tax charge is higher than the statutory rate of 25% primarily

due to a large amount of depreciation, which is unallowable for tax purposes, increasing the tax charge for the year. In addition, for the six months ended 30 June 2025, a deferred tax charge of £21 million (2024: £36 million) was recognised on certain re-measurements arising from fair value movements on financial instruments and investment properties of £82 million (2024: £145 million). In the period, the Group paid £35m of corporation tax (2024: £25 million).

Cash position

At 30 June 2025, the Group had £1,385 million (31 December 2024: £1,557 million) of cash and cash equivalents and term deposits, of which cash and cash equivalents were £235 million (31 December 2024: £1,132 million). In the six months ended 30 June 2025, there was a decrease of £897 million in cash and cash equivalents (2024: a decrease of £18 million). In addition, in the six months ended 30 June 2025, there was an increase of £725 million in term deposits (2024: a decrease of £486 million).

Cash generated from operations

In the six months ended 30 June 2025, cash generated from operations decreased 6.4% to £863 million (2024: £922 million). The following table reconciles adjusted EBITDA to cash generated from operations.

Six months ended 30 June	2025 £m	2024 £m
Cash generated from operations	863	922
(Decrease)/Increase in trade and other receivables	(7)	14
Increase in inventories	1	1
Decrease in trade and other payables	97	11
Difference between pension charge and cash contributions	5	3
Adjusted EBITDA	959	951

Restricted payments

In the six months ended 30 June 2025, total restricted payments (gross and net) made by Heathrow SP amounted to £322 million (2024: £66 million). This funded scheduled interest payments on debt at Heathrow Finance and dividends to ultimate shareholders of £250 million during the period.

Recent financing activity

In the first six months of 2025, we issued a €600m 11-year Class A Sustainability-Linked Bond, our second Euro SLB following our inaugural 2023 issuance. We also priced £139 million in new Class B through the US private placement market across 2035 and 2045 maturities in May with proceeds received in July. These transactions complement our robust liquidity position and add additional diversification.

Redemptions in the first six months of 2025 comprised the scheduled repayment of a £250 million Heathrow Finance bond in March and a Class A bond of C\$500 million in May.

During the first six months of the year, we made early paydowns of accretion on our inflation swaps totalling £157 million (2024: £206 million).

Debt and liquidity at Heathrow (SP) Limited

As at 30 June	2025 £m	2024 ⁽¹⁾ £m
Consolidated nominal gross debt	16,511	16,255
Bond issuances	14,185	13,898
Other term debt	1,865	1,865
Index-linked derivative accretion	368	394
Lease liabilities ⁽²⁾	93	98
Qualifying cash and cash equivalents and term deposits	(1,385)	(1,557)
Consolidated nominal net debt	15,126	14,698
Senior net debt	13,039	12,629
Junior net debt	2,087	2,069

(1) 2024 figures are as at 31 December 2024.

(2) Lease liabilities relating to leases that existed at the point of transition to IFRS 16 (1 January 2019) are excluded from consolidated nominal net debt. All new leases entered into post-transition are included.

The average cost of Heathrow SP's nominal gross debt at 30 June 2025 was 3.53% (31 December 2024: 3.39%). This includes interest rate, cross-currency and index-linked hedge costs and excludes index-linked accretion. Including index-linked accretion, Heathrow SP's average cost of debt at 30 June 2025 was 5.90% (31 December 2024: 5.20%). The average life of Heathrow SP's gross debt as at 30 June 2025 was 9.7 years (31 December 2024: 9.9 years).

The Group's liquidity horizon is within our target range of 18 to 24 months. In making this assessment, the Directors have considered both the Heathrow SP Group of companies, as well as the wider Heathrow Finance plc group of companies (the 'Heathrow Finance Group'). This includes operating cashflows under the base case business plan and capital investment, debt service costs, debt maturities and repayments. This liquidity position takes into account £1,596 million in cash resources across the Heathrow Finance Group, as well as undrawn revolving credit facilities of £1,386 million.

Debt at Heathrow Finance plc

As at 30 June	2025 £m	2024 ⁽¹⁾ £m
Heathrow SP's nominal net debt	15,126	14,698
Heathrow Finance's nominal gross debt	2,139	2,389

Heathrow Finance's qualifying cash and cash equivalents and term deposits	(211)	(457)
Consolidated nominal net debt	17,054	16,630

(1) 2024 figures are as at 31 December 2024.

Financial ratios

At 30 June 2025, Heathrow SP and Heathrow Finance continue to operate within required financial ratios. Gearing ratios are defined within the Glossary.

As at 30 June	2025 £m	2024 ⁽¹⁾ £m
Heathrow's RAB	21,029	20,422
Regulatory asset ratio 'RAR'		
Heathrow SP's senior (Class A)	62.0%	61.8%
Heathrow SP's junior (Class B)	71.9%	72.0%
Heathrow Finance	81.1%	81.4%

(1) 2024 figures are as at 31 December 2024.

Pension scheme

We operate a defined benefit pension scheme (the 'BAA Pension Scheme'), which closed to new members in June 2008. At 30 June 2025, the defined benefit pension scheme, as measured under IAS 19, was funded at 94.7% (31 December 2024: 96.2%). This translated into a deficit of £133 million (31 December 2024: £99 million). The £34 million increase in the deficit in the six months is largely due to a £100 million loss on assets and a £28 million experience loss reflecting actual inflation in the period partially offset by £92 million actuarial gains due to a 0.15% increase in discount rate and 0.15% decrease in inflation; current service costs of £5 million; a past service credit of £2 million; a finance charge of £2 million; and, contributions paid in the year. In the six months ended 30 June 2025, we contributed £7 million (2024: £7 million) into the defined benefit pension scheme. No deficit repair contributions have been paid in the six months (2024: £nil). The Directors believe that the scheme has no significant plan-specific or concentration risks.

Outlook

The outlook for our adjusted EBITDA performance in 2025 remains consistent with the guidance published in our June Investor Report on 27 June 2025.

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors confirm that these condensed consolidated interim financial statements have been prepared in accordance with UK adopted International Accounting Standard 34 'Interim Financial Reporting' and Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority, and that the interim management report includes a fair review of the information required by DTR 4.2.7, namely:

- an indication of important events that have occurred during the first six months and their impact on the condensed set of financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year.

This report was approved and authorised by the Board and was issued on behalf of the Board on 22 July 2025.



Sally Ding

Chief Financial Officer



Martin Bailey

Director

APPENDIX 1 FINANCIAL INFORMATION HEATHROW (SP) LIMITED

Condensed consolidated income statement for the six months ended 30 June 2025

	<i>Note</i>	Unaudited Six months ended 30 June 2025			Unaudited Six months ended 30 June 2024		
		Before certain re-measurements ⁽¹⁾	Certain re-measurements ⁽²⁾	Total	Before certain re-measurements ⁽¹⁾	Certain re-measurements ⁽²⁾	Total
		£m	£m	£m	£m	£m	£m
Revenue	1	1,724	-	1,724	1,692	-	1,692
Operating costs	2	(1,103)	(54)	(1,157)	(1,072)	34	(1,038)
Operating profit		621	(54)	567	620	34	654
Financing							
Finance income		45	-	45	54	-	54
Finance costs		(545)	136	(409)	(496)	111	(385)
Net finance costs	3	(500)	136	(364)	(442)	111	(331)
Profit before tax		121	82	203	178	145	323
Taxation charge	4	(41)	(21)	(62)	(59)	(36)	(95)
Profit for the period		80	61	141	119	109	228

(1) Amounts stated before certain re-measurements are non-GAAP measures.

(2) Certain re-measurements consist of: fair value gains and losses on investment property revaluations, gains and losses arising on the re-measurement of financial instruments, together with the associated fair value gains and losses on any underlying hedged items that are part of a cash flow, fair value and economic hedging relationship and the associated tax impact on these.

Condensed consolidated statement of comprehensive income for the six months ended 30 June 2025

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Profit for the period	141	228
<i>Items that will not be subsequently reclassified to the consolidated income statement</i>		
Actuarial (loss)/gain on pensions:		
Loss on plan assets	(75)	(66)
Decrease in scheme liabilities	48	140
<i>Items that may be subsequently reclassified to the consolidated income statement</i>		
Cash flow hedges:		
(Loss)/gain taken to equity	(39)	35
Transfer to finance costs	4	(9)
Impact of cost of hedging:		
Gain taken to equity	4	1
Other comprehensive (expense)/income for the period, net of tax	(58)	101
Total comprehensive income for the period	83	329

Condensed consolidated statement of financial position as at 30 June 2025

	<i>Note</i>	Unaudited 30 June 2025 £m	Audited ⁽¹⁾ 31 December 2024 £m
Assets			
Non-current assets			
Property, plant and equipment	5	11,164	10,908
Right of use assets		326	332
Investment properties	6	2,642	2,667
Intangible assets		214	199
Derivative financial instruments	8	1,016	1,041
Trade and other receivables		54	53
		15,416	15,200
Current assets			
Inventories		18	17
Trade and other receivables		390	391
Derivative financial instruments	8	-	12
Term deposits		1,150	425
Cash and cash equivalents		235	1,132
		1,793	1,977
Total assets		17,209	17,177
Liabilities			
Non-current liabilities			
Borrowings	7	(17,747)	(17,093)
Derivative financial instruments	8	(1,253)	(1,535)
Deferred income tax liabilities		(1,081)	(1,058)
Lease liabilities		(389)	(395)
Retirement benefit obligations	9	(153)	(120)
Provisions		(1)	(1)
Trade and other payables		(2)	(1)
		(20,626)	(20,203)
Current liabilities			
Borrowings	7	(995)	(1,203)
Derivative financial instruments	8	(96)	(60)
Lease liabilities		(41)	(39)
Provisions		(2)	(2)
Current income tax liabilities		(8)	(23)
Trade and other payables		(547)	(586)
		(1,689)	(1,913)
Total liabilities		(22,315)	(22,116)
Net liabilities		(5,106)	(4,939)
Equity			
Capital and reserves			
Share capital		11	11
Share premium		-	-
Merger reserve		(3,758)	(3,758)
Hedging reserve		21	52
Accumulated losses		(1,380)	(1,244)
Total equity		(5,106)	(4,939)

(1) This column is labelled audited as the amounts have been extracted from the company's audited consolidated financial statements for the year ended 31 December 2024.

Condensed consolidated statement of changes in equity for the six months ended 30 June 2025

Attributable to owners of the Company						
	Share capital £m	Share premium £m	Merger reserve £m	Hedging reserve £m	Accumulated losses £m	Total equity £m
Balance as at 1 January 2024 (audited) ⁽¹⁾	11	499	(3,758)	(37)	(2,414)	(5,699)
Comprehensive income						
Profit for the period	-	-	-	-	228	228
Other comprehensive income/(expense)						
Fair value gain, net of tax, on:						
Cash flow hedges	-	-	-	26	-	26
Impact of cost of hedging	-	-	-	1	-	1
Actuarial (loss)/gain on pension, net of tax:						
Loss on plan assets	-	-	-	-	(66)	(66)
Decrease in scheme liabilities	-	-	-	-	140	140
Total comprehensive income	-	-	-	27	302	329
Balance as at 30 June 2024 (unaudited)	11	499	(3,758)	(10)	(2,112)	(5,370)
Balance as at 31 December 2024 (audited)⁽¹⁾	11	-	(3,758)	52	(1,244)	(4,939)
Comprehensive income						
Profit for the period	-	-	-	-	141	141
Other comprehensive (expense)/income						
Fair value (loss)/gain, net of tax, on:						
Cash flow hedges	-	-	-	(35)	-	(35)
Impact of cost of hedging	-	-	-	4	-	4
Actuarial (loss)/gain on pension, net of tax:						
Loss on plan assets	-	-	-	-	(75)	(75)
Decrease in scheme liabilities	-	-	-	-	48	48
Total comprehensive (expense)/income	-	-	-	(31)	114	83
Transactions with owners						
Dividends paid to Heathrow Finance Plc	-	-	-	-	(250)	(250)
Total transactions with owners	-	-	-	-	(250)	(250)
Balance as at 30 June 2025 (unaudited)	11	-	(3,758)	21	(1,380)	(5,106)

(1) This row is labelled audited as the amounts have been extracted from the company's audited consolidated financial statements for the year ended 31 December 2024.

Condensed consolidated statement of cash flows for the six months ended 30 June 2025

		Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
	<i>Note</i>		
Cash flows from operating activities			
Cash generated from operations	10	863	922
Taxation:			
Corporation tax paid		(35)	(25)
Net cash generated from operating activities		828	897
Cash flows from investing activities			
Purchase of:			
Property, plant and equipment		(512)	(393)
Investment properties		(2)	-
Proceeds on disposal of:			
Investment properties		-	1
(Increase)/decrease in term deposits ⁽¹⁾		(725)	486
Interest received		38	72
Net cash (used in)/generated from investing activities		(1,201)	166
Cash flows from financing activities			
Dividends paid to Heathrow Finance plc		(250)	-
Proceeds from issuance of bonds		497	349
Repayment of bonds		(266)	(877)
Fees and other financing items		(1)	(3)
Interest paid to Heathrow Finance plc		(72)	(66)
External interest paid ⁽²⁾		(244)	(274)
Settlement of accretion on index-linked swaps		(12)	-
Early settlement of accretion on index-linked swaps ⁽³⁾		(157)	(206)
Inflation swap restructuring ⁽⁴⁾		-	14
Payment of lease liabilities		(19)	(18)
Net cash used in financing activities		(524)	(1,081)
Net decrease in cash and cash equivalents		(897)	(18)
Cash and cash equivalents at beginning of period		1,132	191
Cash and cash equivalents at end of period		235	173

(1) Term deposits have an original maturity of over three months.

(2) Includes £10 million of lease interest paid (six months ended 30 June 2024: £9 million). By class, includes £40 million (six months ended 30 June 2024: £58 million) of interest paid on junior (Class B) debt.

(3) In the six months ended 30 June 2025 the Group elected to early pay £157 million (2024: £206 million) of accrued accretion paydowns, which were due to be settled within the next 12 months in line with the liquidity profile assessment of the Group.

(4) In 2024, the Group restructured two inflation-linked swaps by shortening the maturities from 2035. This resulted in a cash inflow to the Group of £14 million made up of £68 million net future interest and £54 million future accretion.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

The Group

The Company is the holding company of a group of companies that owns Heathrow Airport ('Heathrow') and operates Heathrow Express ('HEX'), the express rail service between Heathrow and central London. Heathrow (SP) Limited is a limited liability company, limited by shares, incorporated in the UK and registered in England and Wales, and domiciled in the UK. The Company is a private limited company and its registered office is The Compass Centre, Nelson Road, Hounslow, Middlesex, TW6 2GW.

Primary financial statements format

A columnar approach has been adopted in the income statement and the impact of separately disclosed items is shown in separate columns. These columns include 'certain re-measurements' which management separates from the underlying operations of the Group. By isolating certain re-measurements, management believes the underlying results provides the reader with a more meaningful understanding of the performance of the Group, by concentrating on the matters over which it has most influence, whilst recognising that information on these additional items is available within the financial statements, should the reader wish to refer to them.

The column 'certain re-measurements' in the consolidated income statement contains the following: i. fair value gains and losses on investment property revaluations; ii. gains and losses arising on the re-measurement of financial instruments, together with the associated fair value gains and losses on any underlying hedged items that are part of a cash flow, fair value and economic hedging relationship; iii. the associated tax impacts of the items in (i) and (ii).

Accounting policies

Basis of preparation

The condensed consolidated interim financial statements cover the six-month period ended 30 June 2025 and have been prepared in accordance with UK adopted International Accounting Standard 34 'Interim Financial Reporting'.

The condensed consolidated interim financial statements do not include all the notes normally included in the annual consolidated financial statements. Accordingly, the financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024, which were prepared in accordance with UK adopted International Accounting Standards and the requirements of Companies Act 2006. The auditors' report on these statutory financial statements was unqualified, did not contain an emphasis of matter and did not contain a statement under section 498 of the Companies Act 2006.

Where financial information in the notes to the condensed consolidated interim financial statements, relating to year ended 31 December 2024, is labelled audited, the amounts have been extracted from the Group's audited consolidated financial statements for the year ended 31 December 2024.

The Group has applied the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The condensed consolidated interim financial statements for the six-month period ended 30 June 2025 have been prepared on a basis consistent with that applied in the preparation of the consolidated financial statements for the year ended 31 December 2024, except for the following new amendments which are effective for the period beginning 1 January 2025:

- Amendments to IAS 21 titled Lack of Exchangeability

These amendments haven't had any effect on the measurement and disclosures of any items included in the condensed consolidated interim financial statements of the Group.

Going concern

The Directors have prepared the financial information presented within these interim condensed consolidated financial statements on a going concern basis as they have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

Background

Heathrow is economically regulated by the CAA which controls Heathrow's maximum airport charges. We are currently operating under the H7 price control period, which runs between 1 January 2022 and 31 December 2026, following conclusion of the CAA Final Decision in July 2024.

Passenger forecasts are fundamental to the going concern analysis as a measure of forecast income and expenses, and the Directors have considered trends in future expected passenger numbers. Through the first six months of 2025, there has been strong passenger demand for travel which gives confidence in our future expected passenger numbers. Nevertheless, this is against a backdrop of economic, interest rate and inflation uncertainty.

Given the stability of Heathrow's credit ratings and proven ability to raise debt at competitive rates, the Directors have revised the going concern scenarios to provide a more robust and informative assessment. The base case now incorporates forecast debt issuances, while the severe but plausible downside case assumes no access to debt markets. Passenger volumes remain a key sensitivity in this downside case, and a reverse stress test has also been conducted.

While Heathrow SP operates as an independent securitised group, the Directors have considered the wider Heathrow Group given the corporate structure, which involves cash generation across the Group and within the main operating company, Heathrow Airport Limited.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

Going concern *continued*

The wider Heathrow Group is bound by two types of debt covenant, tested on 31 December each year: the Regulatory Asset Ratio ('RAR'), a measure of the ratio of consolidated nominal net debt to the Regulatory Asset Base ('RAB'); and Interest Cover Ratio ('ICR'), a measure of operating cashflows to debt interest charge. These covenants exist at different levels within the Group's Class A and Class B debt. On that basis the Directors have assessed going concern for the period to 31 December 2026.

Base case

In determining an appropriate base case, the Directors have considered the following:

- Forecast revenue and operating cash flows from the underlying operations, based on a traffic forecast of 84.2 million in 2025;
- Forecast level of capital expenditure based on Heathrow's latest business plan; and
- The overall Group liquidity position, including cash resources and committed facilities available to it, its scheduled debt maturities and financing cash flows, and forecast debt issuances based on Heathrow's latest business plan.

Base case passenger forecast

There is inherent subjectivity in modelling future passenger numbers, nevertheless, passenger numbers have exceeded the prior period, with total passengers to 30 June 2025 of 39.9 million (2024: 39.8 million). Despite an uncertain economic environment impacting the cost-of-living of passengers, leisure demand has remained strong signalling that passengers are continuing to prioritise travel spend, but there are early signs of softness on North American business-heavy routes. The base case is based on a passenger forecast of 84.2 million for the year ended 31 December 2025.

Base case tariffs

The base case uses tariffs as set out in the CAA's Final Decision.

Base case cash flow and liquidity

The wider Heathrow Group can raise finance at both Heathrow SP Limited ('Heathrow SP') and Heathrow Finance plc ('Heathrow Finance'). Continued support for the Group's credit enabled Heathrow to successfully raise over £0.6 billion of debt in the first six months of 2025: a €600 million Class A sustainability-linked bond was issued in January 2025 and £139 million in Class B US private placements have been priced with proceeds to be received in July 2025. As at 30 June 2025, the wider group has total liquidity available of £3.0 billion, comprising of £1.6 billion of cash held at FGP Topco group and a £1.4 billion undrawn revolving credit facility. Total debt maturity for the period to 31 December 2026 is £2.0 billion at Heathrow SP and £0.1 billion at Heathrow Finance.

The Group has sufficient liquidity to meet its base case cash flow needs until at least 31 December 2026, with no breaches of its covenants in that period. This includes forecast operational costs, capital investment, debt service costs, debt issuances and scheduled debt repayments.

Severe but plausible downside case

The Directors have also considered severe but plausible downside scenarios as part of the going concern assessment. The Directors have considered the inherent judgement in forecasting future passenger numbers on cash flow generation, liquidity, and debt covenant compliance.

Under the Group's downside scenario, the Directors have considered passenger numbers at the low end of Heathrow's 2025 and 2026 passenger forecast to be a severe but plausible outcome. This considers the Group's views of plausible impacts caused by reduced passenger confidence and other economic factors. The low range of passengers represents a 1.0% reduction against the forecast base case for 2025 and 1.1% for 2026. The tariff assumptions remain the same as in the base case.

While deemed unlikely, the Directors have also assumed that the Group would be unable to access debt markets for any new funding. Taking this into account, under the severe but plausible scenario, the Group has sufficient liquidity to meet all forecast cash flow needs until at least 31 December 2026, with no breach of its covenants in that period.

Reverse stress test

In forming their assessment, the Directors have also performed a reverse stress test. This involved modelling the level of passengers which would result in a covenant breach as at 31 December 2025 or 31 December 2026. The model is based on a reduction in passenger numbers with no impact on costs. The Heathrow Finance plc ICR covenant is the most restrictive, and for there to be a breach at this level, forecast passenger numbers would need to decrease by over 24.0 million (28.5%) versus the base case in 2025 and by a similar margin in 2026. A further passenger number decrease would be required for the Group to breach its RAR covenants. These passenger levels are below the low end of the Group's passenger forecast and are not considered plausible by the Directors. Should circumstances arise that require Management to take corrective action, many previously utilised tactical actions could be available, including cost reduction, deferral of investment or temporary reprofiling of interest payments.

Conclusion

Having had regard to both liquidity and debt covenants and considering a severe but plausible downside and reverse stress testing, the Directors have concluded that there is sufficient liquidity available to meet the Group and Company's funding requirements for at least 12 months from the date of these interim condensed consolidated financial statements and that it is accordingly appropriate to adopt a going concern basis for their preparation.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

Significant accounting judgements and estimates

In applying the Group's accounting policies, the Directors have made judgements and estimates in a number of key areas. Actual results may, however, differ from estimates calculated and the Directors believe that the following areas present the greatest level of uncertainty.

Critical judgements in applying the Group's accounting policies

In preparing the six-month condensed consolidated interim financial information, the areas where judgement has been exercised by Directors in applying the Group's accounting policies remain consistent with those applied to the Annual Report and Financial Statements for the year ended 31 December 2024.

Key sources of estimation uncertainty

In preparing the six-month condensed consolidated interim financial information, the key sources of estimation uncertainty remain consistent with those applied to the Annual Report and Financial Statements for the year ended 31 December 2024.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

1. SEGMENT INFORMATION

The Group is organised into business units according to the nature of the services provided. Most revenue is derived from the activities carried out within the Airport. The exception to this is Heathrow Express, which is a separately identifiable operating segment under IFRS 8, with separately identifiable assets and liabilities, and hence management aggregates these units into two operating segments, as follows:

- Heathrow Airport (Aeronautical and commercial operations within the Airport and its boundaries).
- Heathrow Express (Rail income from the Heathrow Express rail service between Heathrow and London).

The performance of the above segments is measured on a revenue and Adjusted EBITDA basis. The reportable segments derive their revenues from a number of sources and this information is also provided to the Board on a monthly basis.

Table (a)	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Segment revenue		
Aeronautical		
Movement charges	421	425
Parking charges	53	38
Passenger charges	605	605
Total aeronautical revenue	1,079	1,068
Retail		
Retail concessions	125	129
Catering	44	38
Other retail	30	33
Car parking	91	90
Other services	75	70
Total retail revenue	365	360
Other		
Other regulated charges	138	137
Property revenue	13	11
Property (lease related income)	67	61
Other rail income	18	11
Heathrow Express	44	44
Total other revenue	280	264
Total revenue	1,724	1,692
Heathrow Airport	1,680	1,648
Heathrow Express	44	44
Adjusted EBITDA	959	951
Heathrow Airport	942	942
Heathrow Express	17	9
Reconciliation to statutory information:		
Depreciation and amortisation	(338)	(331)
Operating profit (before certain re-	621	620
Fair value (loss)/gain on investment properties (certain re-measurements)	(54)	34
Operating profit	567	654
Finance income	45	54
Finance costs (after certain re-measurements)	(409)	(385)
Profit before tax	203	323

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

1. SEGMENT INFORMATION *CONTINUED*

Table (b)	Unaudited Six months ended 30 June 2025		Unaudited Six months ended 30 June 2024	
	Depreciation & amortisation £m	Fair value loss⁽¹⁾ £m	Depreciation & amortisation £m	Fair value gain⁽¹⁾ £m
Heathrow Airport	(326)	(54)	(321)	34
Heathrow Express	(12)	-	(10)	-
Total	(338)	(54)	(331)	34

(1) Reflects fair value gain or loss on investment properties only.

Table (c)	Unaudited 30 June 2025		Audited 31 December 2024	
	Assets £m	Liabilities £m	Assets £m	Liabilities £m
Heathrow Airport	13,979	(545)	13,707	(584)
Heathrow Express	503	(7)	528	(6)
Total operations	14,482	(552)	14,235	(590)
Unallocated assets and liabilities:				
Cash and cash equivalents, term deposits and external borrowings	1,385	(16,081)	1,557	(15,638)
Derivative financial instruments	1,016	(1,349)	1,053	(1,595)
Deferred and current tax liabilities	-	(1,089)	-	(1,081)
Retirement benefit obligations	-	(153)	-	(120)
Amounts owed to group undertakings	-	(2,661)	-	(2,658)
Right of use assets and lease liabilities	326	(430)	332	(434)
Total	17,209	(22,315)	17,177	(22,116)

2. OPERATING COSTS

		Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
<i>Note</i>			
Employment		230	236
Operational ⁽¹⁾		226	213
Maintenance		122	114
Business rates		59	58
Utilities		59	64
Other ⁽²⁾		69	56
Operating costs before depreciation, amortisation and		765	741
Depreciation and amortisation			
Property, plant and equipment	5	291	291
Intangible assets		26	20
Right of use assets		21	20
		338	331
Operating costs before certain re-		1,103	1,072
Fair value loss/(gain) on investment	6	54	(34)
Total operating costs		1,157	1,038

(1) Operational costs consist of expenditure in relation to the standard operations of the airport.

(2) Other operating costs consist of primarily marketing costs and other general expenditure.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

3. FINANCING

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Finance income		
Interest on deposits	44	52
Interest receivable from group undertakings	1	2
Total finance income	45	54
Finance costs		
Interest on borrowings:		
Bonds and related hedging instruments ⁽¹⁾	(354)	(339)
Bank loans, overdrafts and unwind of hedging reserves	(50)	(46)
Net interest expense on external derivatives not in hedge relationship ⁽²⁾	(97)	(67)
Facility fees and other charges	(4)	-
Net pension finance costs	(3)	(3)
Interest on debenture payable to Heathrow Finance plc	(74)	(78)
Finance costs on lease liabilities	(10)	(10)
Total borrowing costs	(592)	(543)
Less: capitalised borrowing costs ⁽³⁾	47	47
Total finance costs	(545)	(496)
Net finance costs before certain re-measurements	(500)	(442)
Certain re-measurements		
Fair value gain/(loss) on financial instruments		
Interest rate swaps: not in hedge relationship	52	147
Index-linked swaps: not in hedge relationship	78	(31)
Cross-currency swaps: not in hedge relationship ^{(4), (5)}	(4)	(2)
Ineffective portion of cash flow hedges ⁽⁵⁾	1	(1)
Ineffective portion of fair value hedges ⁽⁵⁾	11	-
Foreign exchange contracts	(2)	(2)
	136	111
Net finance costs	(364)	(331)

(1) Includes accretion of £50 million (six months ended 30 June 2024: £39 million) on index-linked bonds.

(2) Includes accretion of £148 million (six months ended 30 June 2024: £121 million) on index-linked swaps.

(3) Capitalised interest included in the cost of qualifying assets arose on the general borrowing pool and is calculated by applying an average capitalisation rate of 5.30% (2024: 7.85%) to expenditure incurred on such assets.

(4) Includes foreign exchange retranslation loss on the currency bonds of £4 million (six months ended 30 June 2024: £5 million gain) which has moved systematically in the opposite direction to that of the cross-currency swaps which economically hedge the related currency bonds.

(5) The value of all currency bonds changes systematically in the opposite direction to that of the related cross-currency swaps, in response to movements in underlying exchange rates with a net nil impact in fair value for foreign exchange movements.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

4. TAXATION CHARGE

	Unaudited Six months ended 30 June 2025			Unaudited Six months ended 30 June 2024		
	Before certain re-measurements £m	Certain re-measurements £m	Total £m	Before certain re-measurements £m	Certain re-measurements £m	Total £m
UK corporation tax						
Current tax						
Current tax charge at 25% (2024: 25%)	(19)	-	(19)	(24)	-	(24)
Deferred tax						
Current year charge	(22)	(21)	(43)	(35)	(36)	(71)
Taxation charge	(41)	(21)	(62)	(59)	(36)	(95)

The total tax charge for the six months ended 30 June 2025 was £62 million (2024: £95 million) on a profit before tax of £203 million (2024: £323 million).

The tax charge on profit before certain re-measurements was £41 million (2024: £59 million). Based on a profit before tax and certain re-measurements of £121 million (2024: £178 million), this results in an effective tax rate of 33.9% (2024: 33.1%). This represents the best estimate of the annual effective tax rate expected for the full year, applied to the pre-tax profit before certain re-measurements for the six-month period. The tax charge for both periods is higher than the statutory rate of 25% primarily due to a large amount of depreciation, which is unallowable for tax purposes, increasing the tax charge for the year.

In addition, for the six months ended 30 June 2025, a deferred tax charge of £21 million (2024: £36 million) was recognised on certain re-measurements arising from fair value movements on financial instruments and investment properties totalling £82 million (2024: £145 million).

Management remains confident that the deferred tax assets as at 30 June 2025 may be recovered against the unwind of existing deferred tax liabilities and future forecast taxable profits.

On 20 June 2023, Finance (No.2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. Management has performed an assessment of the UK Pillar 2 rules based on the 2024 data and based on the assessment, the Group qualifies for one of the transitional safe harbours provided in the UK Pillar 2 rules. The non-UK entity is within the UK Controlled Foreign Company (CFC) rules, i.e., the entity is a non-exempt CFC and a CFC tax charge is already allocated within the respective "waters-edge" UK parent entity in respect of 100% of its equivalent UK taxable profits. The Group applies the exception under IAS 12 'income taxes' amendment for recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes.

There are no items which would materially affect the future tax charge.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

5. PROPERTY, PLANT AND EQUIPMENT

	Terminal complexes £m	Airfields £m	Plant and equipment £m	Other land and buildings £m	Rail £m	Assets in the course of construction £m	Total £m
Cost							
1 January 2024 (audited)	12,005	2,197	1,085	378	1,216	1,677	18,558
Additions	-	-	-	-	-	1,051	1,051
Reclassification	155	(151)	-	(4)	-	-	-
Capital write-offs	-	-	-	-	-	(23)	(23)
Borrowing costs capitalised	-	-	-	-	-	93	93
Disposals	(34)	(4)	(16)	(1)	(2)	-	(57)
Transfer to investment properties	-	-	-	-	-	(1)	(1)
Transfer to intangible assets	-	-	-	-	-	(14)	(14)
Transfers to completed assets	139	103	83	141	11	(477)	-
31 December 2024 (audited)	12,265	2,145	1,152	514	1,225	2,306	19,607
Additions	-	-	-	-	-	568	568
Borrowing costs capitalised	-	-	-	-	-	47	47
Disposals	(8)	(1)	(7)	-	-	-	(16)
Transfer to investment properties	-	-	-	-	-	(27)	(27)
Transfer to intangible assets	-	-	-	-	-	(41)	(41)
Transfers to completed assets	9	1	77	-	(5)	(82)	-
30 June 2025 (unaudited)	12,266	2,145	1,222	514	1,220	2,771	20,138
Accumulated depreciation							
1 January 2024 (audited)	(6,052)	(670)	(734)	(149)	(568)	-	(8,173)
Charge for the year	(426)	(53)	(64)	(15)	(25)	-	(583)
Disposals	34	4	16	1	2	-	57
31 December 2024 (audited)	(6,444)	(719)	(782)	(163)	(591)	-	(8,699)
Charge for the period	(207)	(29)	(36)	(7)	(12)	-	(291)
Disposals	8	1	7	-	-	-	16
30 June 2025 (unaudited)	(6,643)	(747)	(811)	(170)	(603)	-	(8,974)
Net book value							
30 June 2025 (unaudited)	5,623	1,398	411	344	617	2,771	11,164
31 December 2024 (audited)	5,821	1,426	370	351	634	2,306	10,908

The Regulatory Asset Base ('RAB'), the regulated mechanism made up of existing and new capital investment by which the group makes a cash return, was £21,029 million at 30 June 2025 (31 December 2024: £20,422 million).

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

6. INVESTMENT PROPERTIES

	Total £m
Valuation	
1 January 2024 (audited)	2,449
Additions	71
Transfer from property, plant and equipment	1
Disposals	(1)
Investment property fair value movements ⁽¹⁾	147
31 December 2024 (audited)	2,667
Additions	2
Transfer from property, plant and equipment	27
Investment property fair value movements ⁽¹⁾	(54)
30 June 2025 (unaudited)	2,642

(1) Fair value losses for the six months ended 30 June 2025 are primarily driven by a reduction in the fair value of car parks, due to planned maintenance and capital expenditure. Fair value gains for the year ended 31 December 2024 were primarily due to the impact of improved trading performance across the portfolio.

Investment properties valuations are prepared in accordance with the valuation manual issued by the Royal Institution of Chartered Surveyors and appraised by our property management company CBRE Limited, who are independent and have appropriate recognised qualifications and experience in the categories and location of our investment properties being valued.

On 24 December 2024, the Group acquired a new investment property at an acquisition cost comprising of the purchase price, stamp duty, and associated professional and legal fees. The purchase price was appraised by an external valuer during the bidding process. Following the acquisition, management conducted a review as of 31 December 2024 and concluded that the fair value of the investment property approximates the final purchase price in the completed transaction six days prior, as there had been no significant changes in the valuation assumptions that were previously applied. The investment property was included in the CBRE valuation described above as at 30 June 2025.

Management conducts a detailed review of each property to ensure the correct assumptions and inputs have been used. Meetings with the valuers are held on a periodic basis to review and challenge the assumptions used in the valuation techniques, where they are classified into 3 categories as follows:

Level 1 inputs are quoted prices from active markets at the measurement date using relevant information generated by market transactions involving identical or comparable (similar) assets.

Level 2 inputs are other quoted market prices directly or indirectly observable and involve a combination of inputs. Non-revenue generating employee car parks, airport operations and land valuations were generated by a market approach involving similar observable transactions along with land value reversion whilst the other assets were valued using the capitalised income approach incorporating net initial and equivalent yield. Some of the valuation incorporated rent free and void periods where relevant in order to determine the most reasonable valuation.

Level 3 inputs are based on unobservable inputs which relate to discounted cash flow technique using an appropriate asset discount rate including growth rates for the relevant revenues and costs based on our business plan. Most of this classification is made up of commercial car parks which account for 89% (31 December 2024: 85%) of the valuation. In the case of land, the discounted cash flow methodology has incorporated exit yields, occupancy and ancillary revenues.

There were no transfers between the fair value classifications for investment properties during the year.

By their nature, investment property valuations incorporate long-term passenger trends that incorporate market assumptions on climate change.

Changes in fair values are presented in the income statement as part of other income.

The investment property asset class balance at 30 June 2025 consists of 50% (31 December 2024: 51%) car parks, 21% (31 December 2024: 21%) airport operations and 29% (31 December 2024: 28%) land and others. Level 2 to 3 is split according to the following percentiles respectively: 53% (31 December 2024: 53%) and 47% (31 December 2024: 47%).

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

7. BORROWINGS

	Unaudited 30 June 2025 £m	Audited 31 December 2024 £m
Current		
Secured		
Heathrow Funding Limited bonds:		
3.250% C\$500 million due 2025	-	276
1.500% €750 million due 2025	643	620
Total Heathrow Funding Limited bonds	643	896
Heathrow Airport Limited debt:		
Class A2 term loan due 2025	100	100
Total current (excluding interest payable)	743	996
Interest payable – external	201	159
Interest payable – owed to group undertakings	51	48
Total current	995	1,203
Non-current		
Secured		
Heathrow Funding Limited bonds:		
4.221% £155 million due 2026	155	155
0.450% CHF210 million due 2026	193	185
6.750% £700 million due 2026	698	698
1.800% CHF165 million due 2027	151	145
2.650% NOK1,000 million due 2027	69	66
2.694% C\$650 million due 2027	347	361
3.400% C\$400 million due 2028	214	222
2.625% £350 million due 2028	348	348
7.075% £200 million due 2028	199	199
4.150% A\$175 million due 2028	83	83
2.750% £450 million due 2029	447	447
2.500% NOK1,000 million due 2029	63	59
1.500% €750 million due 2030	605	579
3.782% C\$400 million due 2030	213	220
1.125% €500 million due 2030	425	410
3.661% C\$500 million due 2031	267	277
6.450% £900 million due 2031	887	870
Zero-coupon €50 million due January 2032	75	71
6.000% £350 million due 2032 ⁽¹⁾	347	346
1.366%+RPI £75 million due 2032	118	116
Zero-coupon €50 million due April 2032	73	69
1.875% €500 million due 2032	428	412
0.101%+RPI £182 million due 2032	247	242
1.5225% CHF220 million due 2032 ⁽¹⁾	201	193
3.726% C\$625 million due 2033	338	351
4.500% €650 million due 2033 ⁽¹⁾	581	563
1.875% €650 million due 2034	476	462
4.171% £50 million due 2034	50	50

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

7. BORROWINGS *CONTINUED*

	Unaudited 30 June 2025 £m	Audited 31 December 2024 £m
Zero-coupon €50 million due 2034	59	56
0.347%+RPI £75 million due 2035	102	100
0.337%+RPI £75 million due 2036	103	100
1.061%+RPI £180 million due 2036	277	272
3.875% €600 million due 2036 ⁽¹⁾	508	-
3.460% £105 million due 2038	105	105
0.419%+RPI £51 million due 2038	69	68
1.382%+RPI £50 million due 2039	79	77
Zero-coupon €86 million due 2039	86	82
3.334%+RPI £460 million due 2039	863	846
0.800% JPY10,000 million due 2039	43	44
1.238%+RPI £100 million due 2040	155	153
0.362%+RPI £75 million due 2041	103	100
5.875% £750 million due 2041	740	740
3.500% A\$125 million due 2041	60	62
2.926% £55 million due 2043	54	54
4.625% £750 million due 2046	743	743
4.702% £60 million due 2047	60	60
1.372%+RPI £75 million due 2049	118	116
2.750% £400 million due 2049	393	393
6.070% £70 million due 2056	70	70
6.070% £70 million due 2057	70	70
0.147%+RPI £160 million due 2058	217	211
Total bonds	13,375	12,721
Heathrow Airport Limited debt:		
Class A3 term loan due 2029	200	200
Term notes due 2026-2054 ⁽²⁾	1,562	1,562
Total debt	1,762	1,762
Unsecured		
Debenture payable to Heathrow Finance plc due 2030	2,610	2,610
Total non-current	17,747	17,093
Total borrowings (excluding interest payable)	18,490	18,089

(1) The Group has issued a number of sustainability-linked bonds. Further details on the Sustainability Performance Targets can be found in our Sustainability-Linked Bond Framework at the Heathrow Investor Centre website.

(2) During 2024, the Group issued £200 million in US private placements which included a £20 million green bond issuance.

At 30 June 2025, the Group's consolidated nominal net debt was £15,126 million (31 December 2024: £14,698 million). It comprised £14,185 million (31 December 2024: £13,898 million) in bond issues, £1,865 million (31 December 2024: £1,865 million) in other term debt, £368 million (31 December 2024: £394 million) in index-linked derivative accretion and £93 million (31 December 2024: £98 million) of additional lease liabilities post transition to IFRS 16. This was offset by £1,385 million (31 December 2024: £1,557 million) in qualifying cash and cash equivalents and term deposits under the financing documentation. Nominal net debt comprised £13,039 million (31 December 2024: £12,629 million) in senior net debt and £2,087 million (31 December 2024: £2,069 million) in junior debt.

At 30 June 2025, the carrying value of non-current borrowings due after more than 5 years was £11,264 million (31 December 2024: £11,216 million), comprising £9,802 million (31 December 2024: £9,754 million) of bonds and £1,462 million (31 December 2024: £1,462 million) in bank facilities, excludes lease liabilities.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

7. BORROWINGS CONTINUED

Impact of fair value hedge adjustments

The nominal value of debt designated in a fair value hedge relationship at 30 June 2025 was £699 million, €2,050 million, C\$120 million, CHF 210 million, A\$175 million, JPY 10,000 million and NOK 2,000 million (31 December 2024: £196 million, €2,050 million, C\$620 million, CHF 210 million, A\$175 million, JPY 10,000 million and NOK 2,000 million). Where debt qualifies for fair value hedge accounting, hedged item adjustments have been applied as follows:

	Unaudited 30 June 2025		Audited 31 December 2024	
	Nominal ⁽¹⁾ £m	Fair value adjustment ⁽²⁾ £m	Nominal ⁽¹⁾ £m	Fair value adjustment ⁽²⁾ £m
GBP denominated debt ^{(3) (4)}	699	(16)	196	-
Euro denominated debt	1,682	83	1,682	77
CAD denominated debt ⁽³⁾	71	1	337	2
CHF denominated debt ⁽³⁾	160	1	160	1
Other currencies debt	342	21	342	26
	2,954	90	2,717	106

(1) Nominal values are based on initial designation FX rates.

(2) Fair value adjustment is comprised of fair value gain of £93 million (31 December 2024: £110 million) on continuing hedges and £3 million loss (31 December 2024: £4 million) on discontinued hedges, which no longer meet the criteria for hedge accounting.

(3) During the six-months ended 30 June 2025, fair value hedges of C\$500 million (year ended 31 December 2024: CHF 400 million) matured and there was a new GBP designation of £503 million (year ended 31 December 2024: £196 million).

(4) The Group issued a €600 million Class A 3.875% due 2036 bond on 9 January 2025 and applied bifurcated hedge accounting treatment permissible under IFRS 9. The existing GBP debt of £503 million (6.450% £900 million due 2031) and the cross-currency derivatives were designated with the floating front-end terms into a 'fair value hedge' relationship until January 2030. The fixed terms of the €600 million derivatives were designated separately into a 'cash flow hedge' relationship until January 2036.

8. DERIVATIVE FINANCIAL INSTRUMENTS

Unaudited 30 June 2025	Notional £m	Assets £m	Liabilities £m	Total £m
Current				
Foreign exchange contracts	61	-	(1)	(1)
Interest rate swaps	750	-	(55)	(55)
Cross-currency swaps	681	-	(30)	(30)
Index-linked swaps	200	-	(10)	(10)
	1,692	-	(96)	(96)
Non-current				
Foreign exchange contracts	48	-	(1)	(1)
Interest rate swaps	6,629	562	(479)	83
Cross-currency swaps	5,565	187	(220)	(33)
Index-linked swaps	4,977	267	(553)	(286)
	17,219	1,016	(1,253)	(237)
Total	18,911	1,016	(1,349)	(333)

Audited 31 December 2024	Notional £m	Assets £m	Liabilities £m	Total £m
Current				
Foreign exchange contracts	47	-	(1)	(1)
Cross-currency swaps	947	11	(54)	(43)
Index-linked swaps	470	1	(5)	(4)
	1,464	12	(60)	(48)
Non-current				
Foreign exchange contracts	66	-	(2)	(2)
Interest rate swaps	7,378	633	(640)	(7)
Cross-currency swaps	5,062	136	(230)	(94)
Index-linked swaps	4,977	272	(663)	(391)
	17,483	1,041	(1,535)	(494)
Total	18,947	1,053	(1,595)	(542)

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

8. DERIVATIVE FINANCIAL INSTRUMENTS *CONTINUED*

At 30 June 2025, total non-current notional value of derivative financial instruments due in greater than 5 years was £10,589 million (31 December 2024: £11,911 million), comprising £3,464 million (31 December 2024: £3,969 million) of Index-linked swaps, £3,830 million (31 December 2024: £3,893 million) of cross-currency swaps, and £3,295 million (31 December 2024: £4,049 million) of Interest rate swaps.

Interest rate swaps

Interest rate swaps are maintained by the Group and designated as hedges, where they qualify against variability in interest cash flows on current and future floating or fixed rate borrowings. The gains and losses deferred in equity on the cash flow hedges will be continuously released to the income statement over the period of the hedged risk. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised or no longer meets the Group's risk management objective. The cumulative gains and losses deferred in equity relating to the discontinued cash flow hedge relationships will be continuously released to the income statement over the period of the hedged risk.

Total losses deferred in equity, gross of tax, at 30 June 2025 of £109 million (30 June 2024: £130 million; 31 December 2024: £119 million) related to discontinued cash flow hedges. During the six-months ended 30 June 2025, £10 million (2024: £10 million) recycled from the frozen hedging reserve to the income statement.

Of the losses deferred, £20 million (30 June 2024: £21 million; 31 December 2024: £20 million) are expected to be released in less than one year, £18 million (30 June 2024: £20 million; 31 December 2024: £20 million) between one and two years, £38 million (30 June 2024: £44 million; 31 December 2024: £40 million) between two and five years and £33 million (30 June 2024: £45 million; 31 December 2024: £39 million) over five years.

Cross-currency swaps

Cross-currency swaps have been entered into by the Group to hedge currency risk on interest and principal payments on its foreign currency-denominated bond issues. The gains and losses deferred in equity on certain swaps in cash flow hedge relationships will be continuously released to the income statement over the period to maturity of the hedged bonds.

Total gains deferred in equity, gross of tax, at 30 June 2025 are £142 million (30 June 2024: £120 million; 31 December 2024: £199 million), of which £34 million (30 June 2024: £26 million; 31 December 2024: £45 million) are expected to be released in less than one year, £30 million (30 June 2024: £22 million; 31 December 2024: £36 million) between one and two years, £55 million (30 June 2024: £43 million; 31 December 2024: £75 million) between two and five years and £23 million (30 June 2024: £29 million; 31 December 2024: £43 million) over five years.

Index-linked swaps

Index-linked swaps have been entered into in order to economically hedge RPI linked revenue and the Regulatory Asset Base ('RAB') but are not designated in a hedge relationship.

Foreign exchange contracts

Foreign exchange contracts are used to manage exposures relating to future capital expenditure. Hedge accounting is not sought for these derivatives.

Fair value estimation

Financial instruments that are measured in the statement of financial position at fair value are classified by the following fair value measurement hierarchy:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

At 30 June 2025 and 31 December 2024, all fair value estimates on derivative financial instruments are included in level 2.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (such as derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques and inputs used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Applicable market-quoted swap yield curves adjusted for relevant basis and credit default spreads.
- The recovery rate and associated reduction in credit risk of super senior ranking derivatives (interest rate and index-linked swaps).
- The fair value of derivatives and certain financial instruments are calculated as the present value of the estimated future cash flows based on observable market inputs such as RPI and credit default swap curves.
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

8. DERIVATIVE FINANCIAL INSTRUMENTS CONTINUED

At the restructuring date or initial date of recognition of index-linked swaps, the fair value of these instruments, as indicated by their fair value immediately prior to the restructuring or at initial recognition, cannot be supported by observable inputs alone. These fair values are supported by unobservable factors including the counterparty's credit, capital, funding and trading charges. Differences are deferred on the statement of financial position in compliance with IFRS 9.

As at 30 June 2025, £142 million (31 December 2024: £154 million) remained capitalised and for the six-months ended 30 June 2025, £12 million (2024: £16 million) had been recognised in the income statement.

On a semi-annual basis, the Group reviews any material changes to the valuation techniques and market data inputs used. The potential impact to the fair value hierarchy is assessed if it is deemed a transfer. Significant transfers between levels are considered effective at the end of the reporting period. During the period there were no transfers between the levels in the fair value hierarchy.

The tables below present the Group's assets (other than investment properties, disclosed in note 6) and liabilities that are measured at fair value as at 30 June 2025 and 31 December 2024:

30 June 2025	Level 1	Level 2	Level 3	Total
	£m	£m	£m	£m
Assets				
Assets at fair value through income statement	-	848	-	848
Derivatives qualifying for hedge accounting	-	168	-	168
Total assets	-	1,016	-	1,016
Liabilities				
Liabilities at fair value through income statement	-	(1,111)	-	(1,111)
Derivatives qualifying for hedge accounting	-	(238)	-	(238)
Total liabilities	-	(1,349)	-	(1,349)

31 December 2024	Level 1	Level 2	Level 3	Total
	£m	£m	£m	£m
Assets				
Assets at fair value through income statement	-	924	-	924
Derivatives qualifying for hedge accounting	-	129	-	129
Total assets	-	1,053	-	1,053
Liabilities				
Liabilities at fair value through income statement	-	(1,326)	-	(1,326)
Derivatives qualifying for hedge accounting	-	(269)	-	(269)
Total liabilities	-	(1,595)	-	(1,595)

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

9. RETIREMENT BENEFIT OBLIGATIONS

Amounts arising from pensions related liabilities in the Group's financial statements

The following tables identify the amounts in the Group's financial statements arising from its pension related liabilities.

Income statement - pension and other pension related liabilities costs

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Employment costs:		
Defined contribution schemes	12	14
BAA Pension Scheme	5	5
BAA Pension Scheme – past service credit	(2)	-
	15	19
Finance charge - BAA Pension Scheme	2	3
Finance charge - Other pension and post-retirement liabilities	1	1
Total pension charge	18	23

Other comprehensive income – gain/(loss) on pension and other pension related liabilities

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
BAA Pension Scheme (loss)/gain	(36)	99
Actuarial (loss)/gain recognised before tax	(36)	99
Tax credit/(charge) on actuarial gain	9	(25)
Actuarial (loss)/gain recognised after tax	(27)	74

Statement of financial position – net defined benefit pension deficit and other pension related liabilities

	Unaudited 30 June 2025 £m	Audited 31 December 2024 £m
Fair value of plan assets	2,399	2,497
Benefit obligation	(2,532)	(2,596)
Deficit in BAA Pension Scheme	(133)	(99)
Unfunded pension obligations	(19)	(20)
Post-retirement medical benefits	(1)	(1)
Deficit in other pension related liabilities	(20)	(21)
Net deficit in pension schemes	(153)	(120)
Group share of net deficit in pension schemes	(153)	(120)

There are no reimbursement rights included within scheme assets which require separate disclosure.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

9. RETIREMENT BENEFIT OBLIGATIONS *CONTINUED*

(a) BAA Pension Scheme

The BAA Pension Scheme is a funded defined benefit scheme with both open and closed sections. The Scheme closed to employees joining the Group after 15 June 2008. The Scheme's assets are held separately from the assets of the HAH Group and are administered by the trustee.

The value placed on the Scheme's obligations as at 30 June 2025 is based on the full actuarial valuation carried out at 30 September 2021. This has been updated at 30 June 2025 by ISIO Group Limited to take account of changes in economic and demographic assumptions, in accordance with IAS 19R. The Scheme assets are stated at their bid value at 30 June 2025. As required by IAS 19R, the Group recognises re-measurements as they occur in the statement of comprehensive income.

Analysis of fair value of plan assets	Unaudited 30 June 2025			Audited 31 December 2024		
	Quoted ⁽¹⁾	Unquoted	Total	Quoted ⁽¹⁾	Unquoted	Total
	£m	£m	£m	£m	£m	£m
Equity	70	387	457	63	456	519
Bonds	242	161	403	257	177	434
Cash	-	45	45	-	42	42
LDI	-	844	844	-	815	815
Buy in	-	345	345	-	364	364
Other ⁽²⁾	-	305	305	-	323	323
Total fair value of plan assets	312	2,087	2,399	320	2,177	2,497

(1) Quoted assets have prices in active markets in which transactions for the asset take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

(2) Other assets include multi-strategy funds which include diverse holdings in a number of small markets.

At 30 June 2025, the largest single category of investment was a liability driven investment ('LDI') mandate, with a value of £844 million, being 35% of the asset holding (31 December 2024: £815 million, 33%).

LDI holdings are portfolios of bonds, repurchase agreements, interest rate and inflation derivatives which are intended to protect the Scheme from movements in interest rates and inflation, so that the fair value of this element of the portfolio moves in the same way as the fair value of Scheme's obligations.

Analysis of financial assumptions

The financial assumptions used to calculate Scheme assets and liabilities under IAS 19R were:

	Unaudited 30 June 2025 %	Audited 31 December 2024 %
Rate of increase in pensionable salaries	1.90	1.90
Increase to deferred benefits during deferment	3.25	3.40
Increase to pensions in payment:		
Open section	3.05	3.15
Closed section	3.25	3.40
Discount rate	5.55	5.40
Inflation assumption	3.25	3.40

As noted in note 18 to the Annual Report and Financial Statements 2024, a High Court's judgement in June 2023 (upheld in July 2024) in the case of Virgin Media Limited vs NTL Pension Trustees II Limited, means that for some defined benefit pension schemes, amendments made between 1997 and 2016 will be void unless the amendment was accompanied by confirmation that specific criteria were met. This created uncertainty in the measurement of the defined benefit obligation.

In June 2025, the Department of Work and Pensions released a statement indicating that it plans to introduce legislation following on from the case to "give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards" and that the "scheme obligations will otherwise be unaffected". Timescales for the change are still to be announced but it should dissolve any uncertainty.

The Group is not currently aware of any effect on the Scheme. Therefore, the defined benefit obligation for the Scheme has been calculated on the basis of the pension benefits currently being administered.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

10. CASH GENERATED FROM OPERATIONS

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Profit before tax	203	323
<i>Adjustments for:</i>		
Net finance costs	364	331
Depreciation	291	291
Amortisation of intangibles	26	20
Amortisation of right of use assets	21	20
Fair value loss/(gain) on investment properties	54	(34)
<i>Working capital changes:</i>		
Decrease/(increase) in trade and other receivables	7	(14)
Increase in inventories	(1)	(1)
Decrease in trade and other payables	(97)	(11)
Difference between pension charge and cash contributions	(5)	(3)
Cash generated from operations	863	922

11. COMMITMENTS AND CONTINGENT LIABILITIES

Group commitments for property, plant and equipment

The figures in the following table are contractual commitments to purchase goods and services at the reporting date.

	Unaudited 30 June 2025 £m	Audited 31 December 2024 £m
Contracted for, but not accrued:		
Asset management and compliance	404	258
Carbon and sustainability	13	16
Commercial proposition	29	29
Improve efficiency and service	23	12
Terminal 2 baggage system	156	176
Next generation security	127	146
Modernising Heathrow	15	2
Expanding Heathrow	5	-
	772	639

Contingent liabilities

As at 30 June 2025 the Group had no material external contingent liabilities (31 December 2024: £nil).

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

12. RELATED PARTY TRANSACTIONS

During the six-month period, the Group entered into the following transactions with related parties:

Purchase of goods and services from related parties	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Ferrovial Construction	50	33
Heathrow Enterprises Limited	1	1
Heathrow Finance plc ⁽¹⁾	74	78
LHR Airports Limited	11	12
	136	124

(1) Interest on the debenture payable to Heathrow Finance plc (note 3).

Sales to related parties	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Harrods International Limited	5	4
Qatar Airways	33	31
LHR Airports Limited	1	1
	39	36

Balances outstanding with related parties	Unaudited 30 June 2025		Audited 31 December 2024	
	Amounts owed by related parties £m	Amounts owed to related parties £m	Amounts owed by related parties £m	Amounts owed to related parties £m
Ferrovial Construction	-	8	-	3
Qatar Airways	2	-	2	-
Heathrow Finance plc	-	2,660	-	2,658
LHR Airports Limited	49	31	41	31
	51	2,699	43	2,692

The related parties outlined above are related through ownership by the same parties. The transactions relate primarily to construction projects, loans and interest payable, and are conducted on an arm's length basis.

On 7 March 2025, Heathrow (SP) Limited paid a dividend of £250 million to its shareholder, Heathrow Finance plc.

Ferrovial (and by extension subsidiary, Ferrovial Construction), USS and CDPQ were considered related parties during the first half of 2025. However, they ceased to be related parties on 3 July 2025 following the disposal of their shareholdings.

13. SUBSEQUENT EVENTS

On 3 July 2025, Ardian acquired an additional 10.00% shareholding in FGP Topco Limited, the ultimate parent entity of the Group. Following this transaction, the shareholders of FGP Topco Limited all hold ordinary shares in the following proportion; InfraEuropa SCA (32.61%) (an investment vehicle of Ardian), Qatar Holding Aviation (20.00%) (a wholly owned subsidiary of Qatar Holding LLC), Alrahala First Investment Company (15.01%) (a wholly owned subsidiary of Saudi Arabia Public Investment Fund), Baker Street Investment Pte Ltd (11.20%) (an investment vehicle managed by GIC Special Investments Pte. Ltd), QS Airports UK, LP (11.18%) (an investment vehicle of Australian Retirement Trust), Stable Investment Corporation (10.00%) (an investment vehicle of the China Investment Corporation).

14. RECONCILIATION OF OUR ALTERNATIVE PERFORMANCE MEASURES

Alternative Performance Measures ('APMs')

The Group presents its results in accordance with UK-adopted International Accounting Standards. Management also produces APMs which are other financial measures not defined by IFRS. Management relies on these APMs for decision-making and for evaluating the Group's performance. Below we provide an explanation of each APM.

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

14. RECONCILIATION OF OUR ALTERNATIVE PERFORMANCE MEASURES *CONTINUED***EBITDA**

EBITDA is profit or loss before interest (including fair value gains and losses on financial instruments), taxation, depreciation and amortisation. EBITDA is a useful indicator as it is widely used by investors, analysts and rating agencies to assess operating performance.

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Profit for the period	141	228
Tax charge	62	95
Net finance costs	364	331
Operating profit	567	654
Depreciation and amortisation	338	331
EBITDA	905	985

Adjusted EBITDA

Adjusted EBITDA is profit or loss before interest (including fair value gains and losses on financial instruments), taxation, depreciation, amortisation, fair value gains and losses on investment properties and exceptional items (if any). Fair value gains and losses on investment properties are excluded as they can vary significantly from one year to the next due to market perceptions of the value of the property and the accounting method used to calculate the fair value. Exceptional items are excluded due to their size and the fact that they are not representative of a normal trading year. Adjusted EBITDA is an approximation of pre-tax operating cash flow and reflects cash generation before changes in working capital and investment. The APM assists investors to value the business (valuation using multiples) and rating agencies and creditors to gauge levels of leverage by comparing adjusted EBITDA with net debt.

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Profit for the period	141	228
Tax charge	62	95
Net finance costs	364	331
Operating profit	567	654
Depreciation and amortisation	338	331
Fair value loss/(gain) on investment properties	54	(34)
Adjusted EBITDA	959	951

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Cash generated from operations	863	922
(Decrease)/increase in trade and other receivables	(7)	14
Increase in inventories	1	1
Decrease in trade and other payables	97	11
Difference between pension charge and cash contributions	5	3
Adjusted EBITDA	959	951

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

14. RECONCILIATION OF OUR ALTERNATIVE PERFORMANCE MEASURES *CONTINUED***Adjusted operating profit**

Adjusted operating profit or loss shows operating results excluding fair value gains and losses on investment properties and exceptional items (if any). These are excluded as they can vary significantly from one year to the next due to market perceptions of the value of the property and the accounting method used to calculate the fair value. The adjusted measure is used to assess the underlying performance of the trading business.

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Operating profit⁽¹⁾	567	654
Fair value loss/(gain) on investment properties	54	(34)
Adjusted operating profit	621	620

(1) Operating profit is presented on the Group income statement; it is not defined per IFRS, however it is a generally accepted profit measure.

Net finance costs before certain re-measurements

Net finance costs before certain re-measurements exclude fair value gains and losses on financial instruments. Excluding fair value gains and losses can be useful to investors and financial analysts when assessing the Group's underlying profitability, as measured by adjusted EBITDA, because they can vary significantly from one year to the next. A significant portion of the fair value gains and losses on financial instruments occur due to the business entering into arrangements to hedge against future inflation. As these contracts do not meet hedge criteria under IFRS 9, fair value gains and losses create significant volatility in our IFRS income statement.

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Finance income	45	54
Finance costs	(409)	(385)
Net finance costs after certain re-measurements	(364)	(331)
Fair value gain arising on re-measurement of financial instruments	(136)	(111)
Net finance costs before certain re-measurements	(500)	(442)

Adjusted profit before tax

Adjusted profit or loss before tax excludes fair value gains and losses on investment properties and financial instruments and exceptional items (if any). Excluding these can be useful to investors and financial analysts when assessing the Group's underlying profitability, because they can vary significantly from one year to the next.

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Profit before tax	203	323
Fair value loss/(gain) on investment properties	54	(34)
Fair value gain arising on re-measurement of financial instruments	(136)	(111)
Adjusted profit before tax	121	178

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

14. RECONCILIATION OF OUR ALTERNATIVE PERFORMANCE MEASURES *CONTINUED***Adjusted profit after tax**

Adjusted profit or loss after tax excludes fair value gains and losses on investment properties and financial instruments, exceptional items (if any) and the associated tax. Excluding these can be useful to investors and financial analysts when assessing the Group's underlying profitability, because they can vary significantly from one year to the next.

	Unaudited Six months ended 30 June 2025 £m	Unaudited Six months ended 30 June 2024 £m
Profit for the period	141	228
Fair value loss/(gain) on investment properties	54	(34)
Fair value gain arising on re-measurement of financial instruments	(136)	(111)
Tax charge on fair value gain or loss on investment properties and re-measurement of financial instruments	21	36
Adjusted profit after tax	80	119

Heathrow (SP) Limited consolidated nominal net debt

Consolidated nominal net debt is a measure of financial position used by our creditors when assessing covenant compliance.

Nominal net debt is short- and long-term debt less qualifying cash and cash equivalents and term deposits. It is an important measure as it is used as a metric in assessing covenant compliance for the Group. It includes index linked swap accretion and the hedging impact of cross-currency interest rate swaps. It excludes pre-existing lease liabilities recognised upon transition to IFRS 16, accrued interest, capitalised borrowing costs and intra-group loans.

	Unaudited 30 June 2025 £m	Audited 31 December 2024 £m
Total financing liabilities	(19,505)	(19,272)
Cash and cash equivalents and term deposits	1,385	1,557
Net derivative liabilities	333	542
Index-linked swap accretion ⁽¹⁾	(368)	(394)
Impact of cross-currency interest rate swaps ⁽²⁾	(176)	(283)
Bond issuance costs and zero-coupon bond uplift ⁽³⁾	6	(1)
IFRS 16 lease liability relating to pre-existing leases ⁽⁴⁾	337	336
Debenture payable to Heathrow Finance plc	2,610	2,610
Interest payable	252	207
Consolidated nominal net debt	(15,126)	(14,698)

(1) Index-linked swap accretion is included in nominal net debt; amounts are reported within derivative financial instruments on the Group's statement of financial position.

(2) Where bonds are issued in currencies other than GBP, the Group has entered into foreign currency swaps to fix the GBP cash outflows on redemption. The impact of these swaps is reflected in nominal net debt.

(3) Capitalised bond issue costs and zero-coupon bond uplift are excluded from nominal net debt.

(4) The lease liability relating to leases that existed at the point of transition to IFRS 16 (1 January 2019) is excluded from nominal net debt. All new leases entered into post transition are included.

Regulatory Asset Base ('RAB')

The regulatory asset base is a regulatory construct, based on predetermined principles not based on IFRS. By investing efficiently in the Airport, we add to the RAB over time. The RAB is an important measure as it represents the invested capital on which Heathrow are authorised to earn a cash return and is used in the financial ratios used to assess covenant compliance as detailed in the financial review. It is used in key financial ratios and in our regulatory financial statements.

	Unaudited 30 June 2025 £m	Audited 31 December 2024 £m
Regulatory Asset Base ('RAB')	21,029	20,422

Notes to the condensed consolidated financial statements for the six months ended 30 June 2025

14. RECONCILIATION OF OUR ALTERNATIVE PERFORMANCE MEASURES *CONTINUED***Regulatory gearing ratio**

The regulatory gearing ratio is consolidated nominal net debt to the RAB. It is a financial indicator used by investors, financial analysts, rating agencies, creditors and other parties to ascertain a company's debt position in regulated industries.

	Unaudited 30 June 2025	Audited 31 December 2024
Total net debt to RAB	0.719	0.720
Senior net debt to RAB	0.620	0.618

Publication of Supplement to Base Prospectus - The following supplemental prospectus dated 7 January 2025 to the "Heathrow Funding Limited: Multicurrency programme for the issuance of bonds" base prospectus dated 8 November 2024 has been approved by the Financial Conduct Authority and is available for viewing:

Full RNS available here: http://www.rns-pdf.londonstockexchange.com/rns/4756S_1-2025-1-7.pdf

Publication of Final Terms - The final terms for the issue of Class A-61 €600,000,000 3.875 per cent. Fixed Rate Sustainability-Linked Bonds due 2036 issued by Heathrow Funding Limited (the "Issuer") under the Issuer's multicurrency programme for the issuance of bonds are available for viewing.

Full RNS available here: http://www.rns-pdf.londonstockexchange.com/rns/6777T_1-2025-1-16.pdf

Publication of Prospectus - The following prospectus dated 8 November 2024 has been approved by the Financial Conduct Authority and is available for viewing.

Full RNS available here: http://www.rns-pdf.londonstockexchange.com/rns/5623L_1-2024-11-8.pdf

(1) Appendix 2 of the Heathrow (SP) Limited Results for the six months ended 30 June 2025 has not been reviewed by PricewaterhouseCoopers LLP.

GLOSSARY

Air Transport Movement 'ATM' – means a flight carried out for commercial purposes and includes scheduled flights operating according to a published timetable, charter flights, cargo flights but it does not include empty positioning flights, and private non-commercial flights.

Airport Service Quality 'ASQ' – quarterly Airport Service Quality surveys directed by Airports Council International ('ACI'). Survey scores range from 1 up to 5.

Arrival punctuality – percentage of flights arriving within 15 minutes of schedule.

Baggage connection – percentage of bags connected per 1,000 passengers.

Connections satisfaction – measures how satisfied passengers are with their connections journey via our in-house satisfaction tracker – QSM Connections. Throughout the year there are 14,000 face-to-face interviews across all terminals where transfer passengers rate their satisfaction with their Connections experience on a scale of one to five, where one is 'extremely poor' and five is 'excellent'.

Departure punctuality – percentage of flights departing within 15 minutes of schedule.

Gearing ratios – under the Group's financing agreements, calculated by dividing consolidated nominal net debt by Heathrow's Regulatory Asset Base ('RAB') value.

Net-zero carbon – residual carbon emissions are offset by an equal volume of carbon removals.

Regulated queue times in Central Search Areas - percentage of security waiting time measured under 5 minutes, based on 15-minute time period measured.

Regulatory asset ratio 'RAR' – is a trigger event and covenant event at Class A, a trigger event at Class B and a financial covenant at Heathrow Finance; Class A RAR trigger ratio is 72.5% and covenant level is 92.5%; two Class B triggers apply: at Heathrow Finance it is 82.0% and at Heathrow (SP) Limited it is 85.0%; Heathrow Finance RAR covenant is 92.5%.

Restricted payments – the financing arrangements of the Group and Heathrow Finance plc ('Heathrow Finance') restrict certain payments unless specified conditions are satisfied. These restricted payments include, among other things, payments of dividends, distributions and other returns on share capital, any redemptions or repurchases of share capital, and payments of fees, interest or principal on any intercompany loans.

Security queuing - percentage of security waiting time measured under 5 minutes, based on 15-minute time period measured.

RPI - Retail Price Index ('RPI')

Independent review report to Heathrow (SP) Limited

Report on the condensed consolidated interim financial statements

Our conclusion

We have reviewed Heathrow (SP) Limited's condensed consolidated interim financial statements (the "interim financial statements") in the Results of Heathrow (SP) Limited for the 6 month period ended 30 June 2025 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed consolidated statement of financial position of Heathrow (SP) Limited as at 30 June 2025;
- the Condensed consolidated income statement and the Condensed consolidated statement of comprehensive income for the period then ended;
- the Condensed consolidated statement of changes in equity for the period then ended;
- the Condensed consolidated statement of cash flows for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Results of Heathrow (SP) Limited have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Results and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the directors

The Results, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Results in accordance with the Disclosure Guidance and Transparency Rules

sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Results, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Results based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

A handwritten signature in black ink, appearing to read 'PricewaterhouseCoopers LLP', is written in a cursive, stylized script.

PricewaterhouseCoopers LLP
Chartered Accountants
Watford
22 July 2025