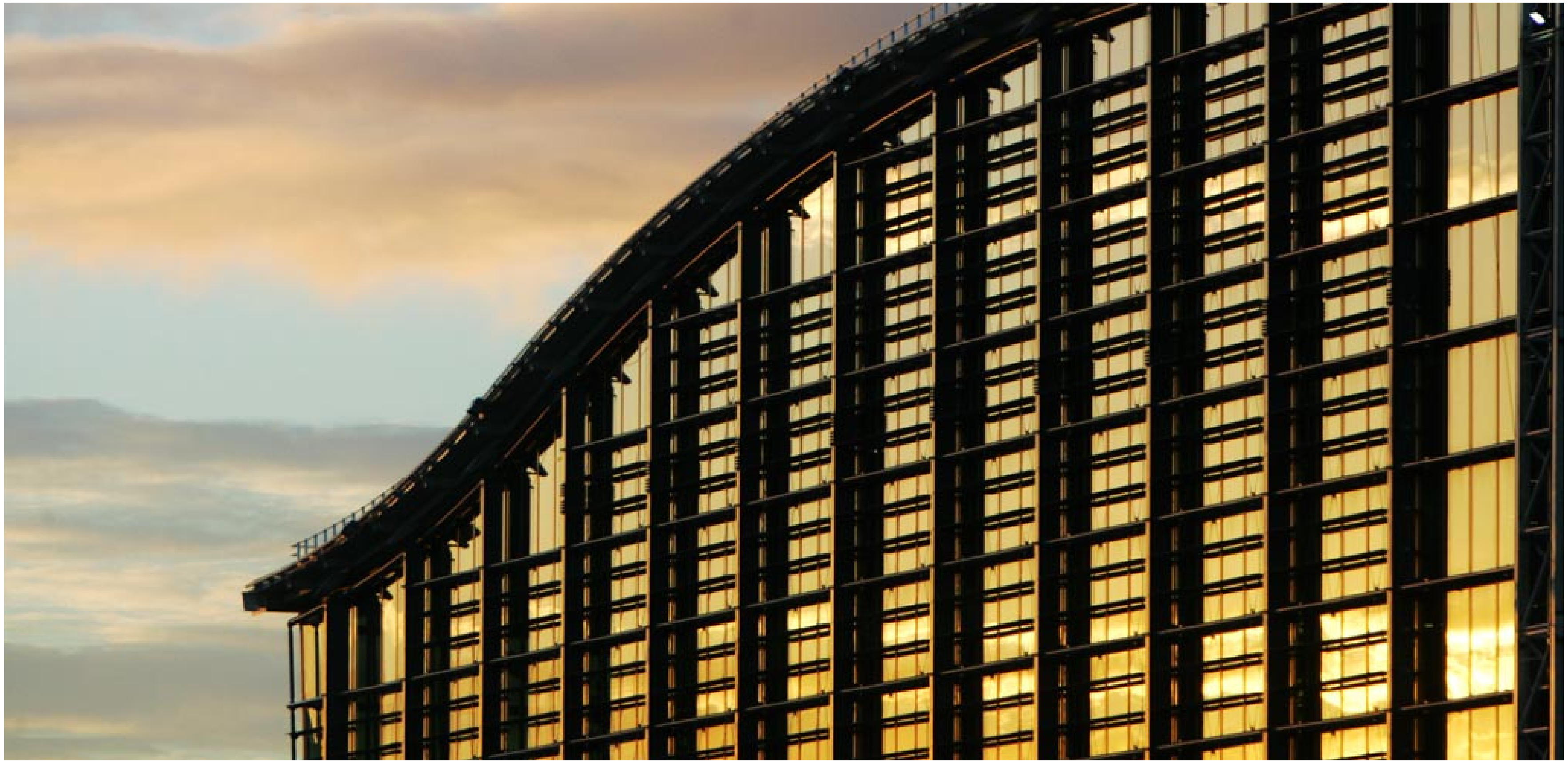
BAA (SP) Limited
Results for three months ended 31 March 2009

Investor Presentation

May 2009



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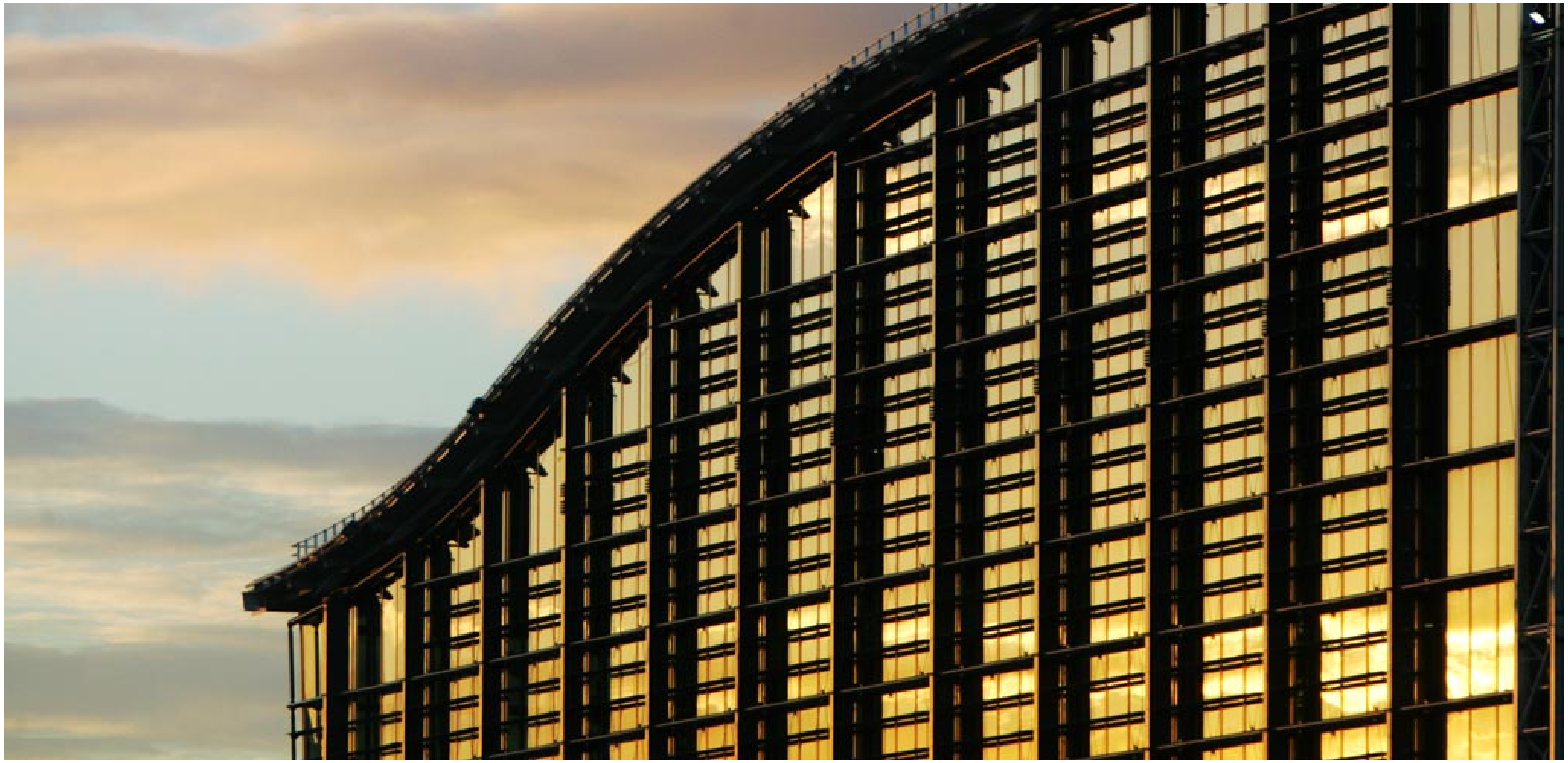


Overview

- Improving operational performance
- Solid financial performance in challenging macroeconomic conditions
  - excellent retail results
  - cost efficiency
- Strengthened organisational and management structure
- Resilience based on Heathrow
  - underlines value of global hub status
  - most resilient traffic
  - best retail performance
- 2009 Adjusted EBITDA[1] outlook remains consistent with previous guidance

Q1 2009 highlights[2]

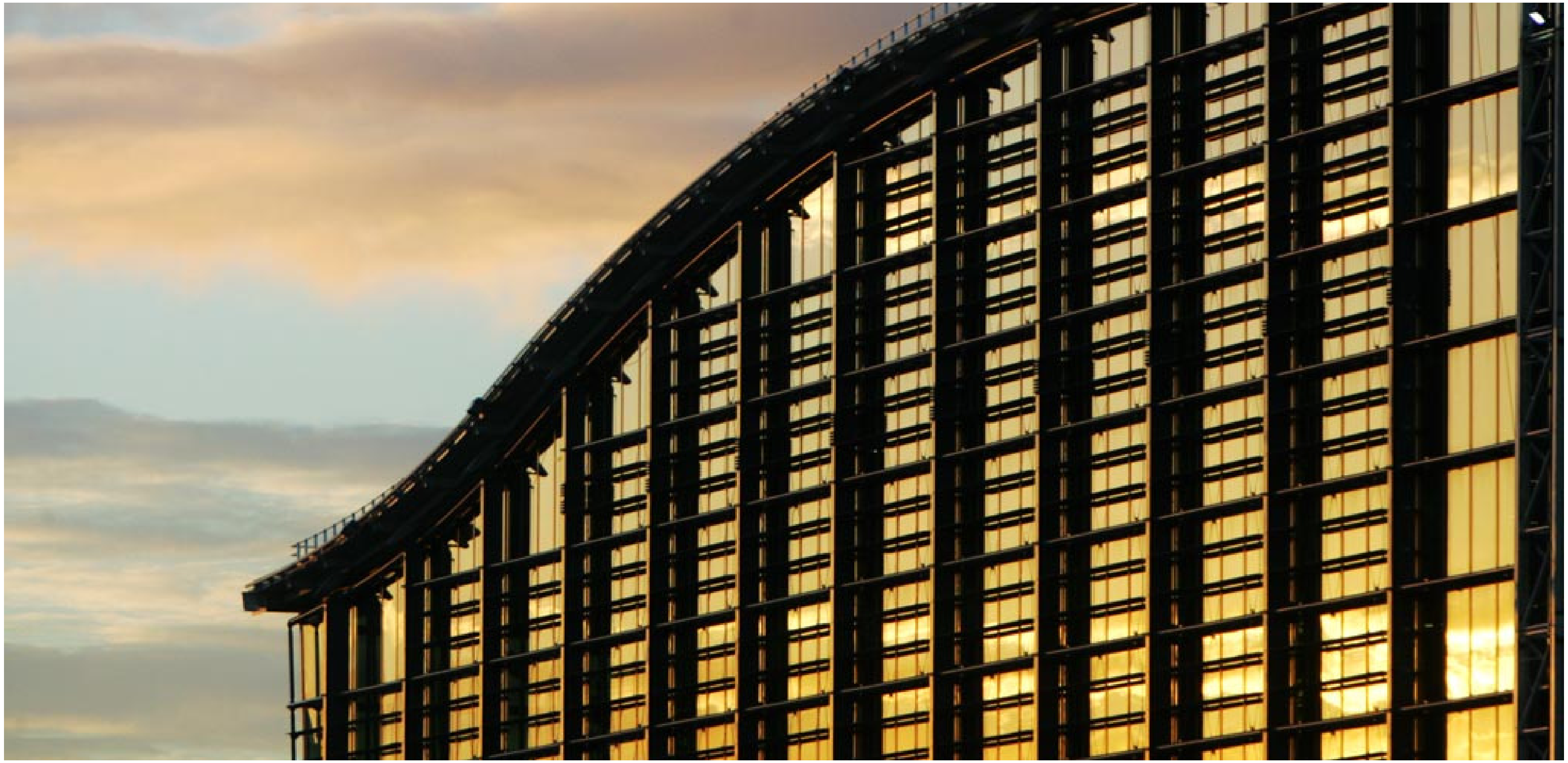
Revenue[3]	**+15.5%**
Adjusted EBITDA[1][3]	**+27.9%**

Passenger traffic	**-10.0%**
NRI[4] per passenger	**+8.8%**

Capital expenditure	**£253.7m**
Net debt[5]	**£9,552.5m**
RAB[4]	**£12,549.7m**

1) Adjusted EBITDA is earnings before interest, tax, depreciation and amortisation and exceptional items
2) Percentage changes are relative to Q1 2008
3) Assumes consolidation of Heathrow Express Operating Company Limited in 2008 and 2009 although acquisition happened on 7 August 2008
4) NRI: net retail income; RAB: Regulatory Asset Base
5) Nominal net debt excluding intra-BAA group loans

Key business developments



Q1 2009 passenger traffic

- Passenger traffic down 10.0% to 24.8 million (2008: 27.6 million)
- Impacted by macroeconomic environment and one-off factors
  - leap year and Easter timing
  - severe winter weather
- After adjusting for one-offs, Heathrow underlying decline estimated at 3.6%
- Long haul market continues to show relative resilience
- Benefits of Heathrow's global hub status clear
  - outperforming BAA's other airports
  - outperforming other European hubs
  - substantial increase in transfer traffic

Passenger traffic (Q1 2009 v Q1 2008)

	2008 (m)	2009 (m)	Change[1] Reported	Change[1] Underlying[2]
By airport				
Heathrow	15.4	**14.4**	-6.4%	-3.6%
Gatwick	7.4	**6.3**	**-14.6%**	**-11.9%**
Stansted	4.8	**4.1**	**-14.6%**	**-11.7%**
Total[1]	**27.6**	**24.8**	**-10.0%**	**-7.2%**
By market served				
UK	2.8	**2.4**	**-12.6%**	**n/a**
Europe[3]	14.6	**13.0**	**-10.9%**	**n/a**
Long haul	10.3	**9.4**	-8.0%	**n/a**
Total[1]	**27.6**	**24.8**	**-10.0%**	**-7.2%**

1) Totals and percentage change calculated using un-rounded numbers
2) Underlying change adjusts actual change for estimated effects of leap year, change in timing of Easter and severe winter weather
3) Includes North African charter traffic

Heathrow passenger trends versus competitors

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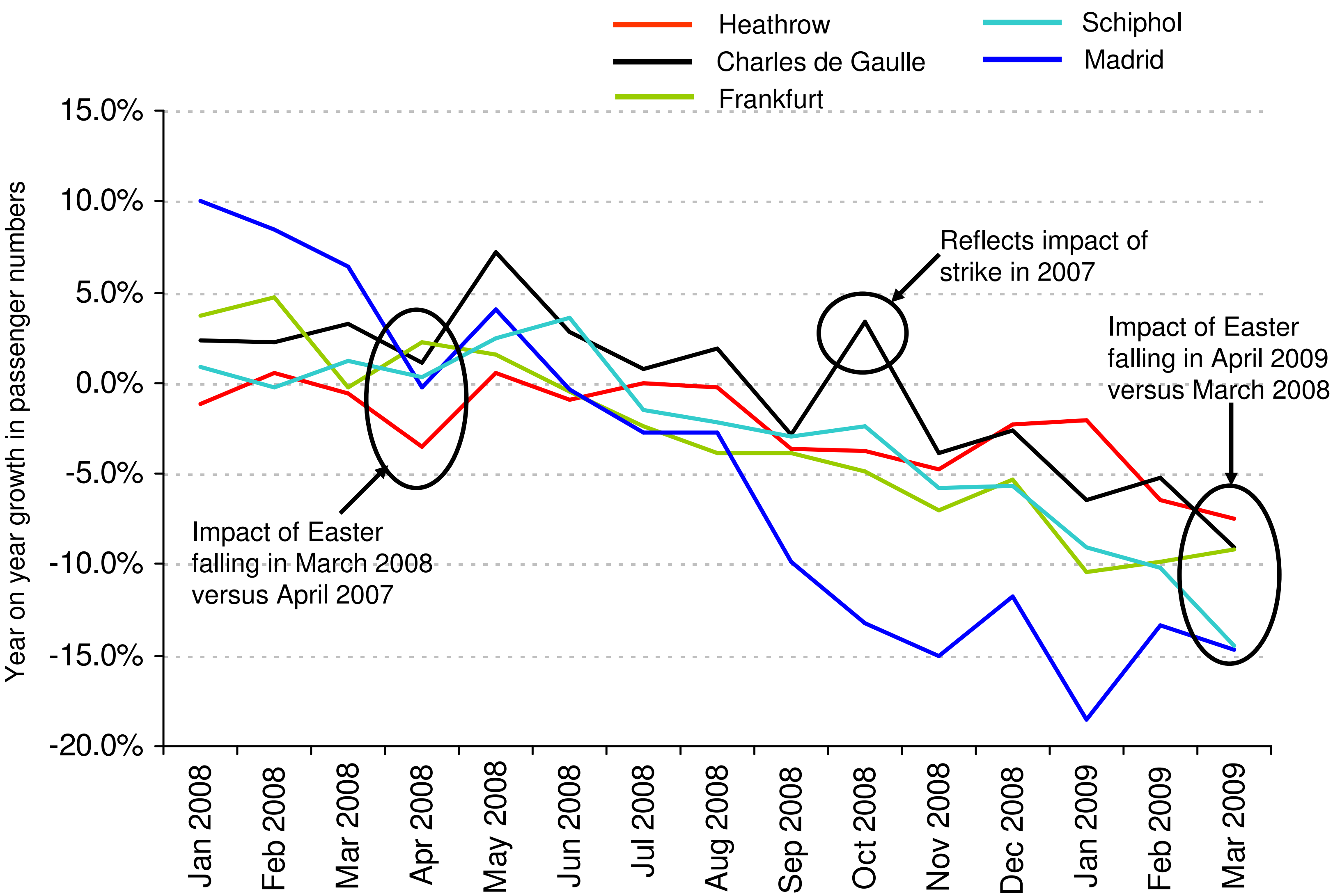
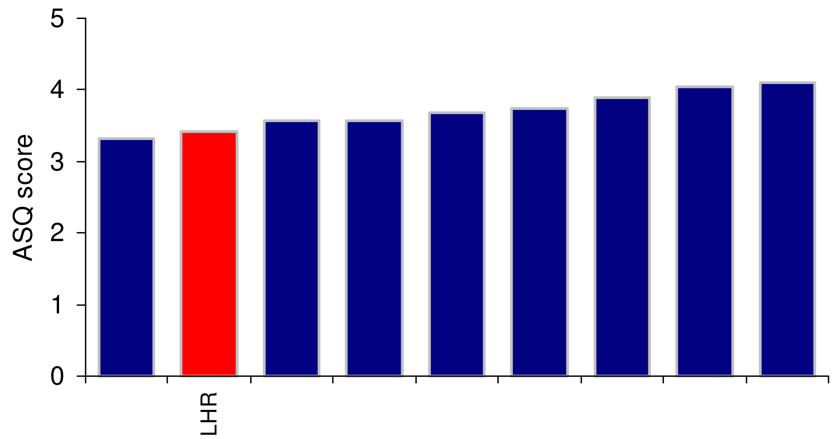


1) Figures for February 2008 and 2009 adjusted for effect of leap year in 2008

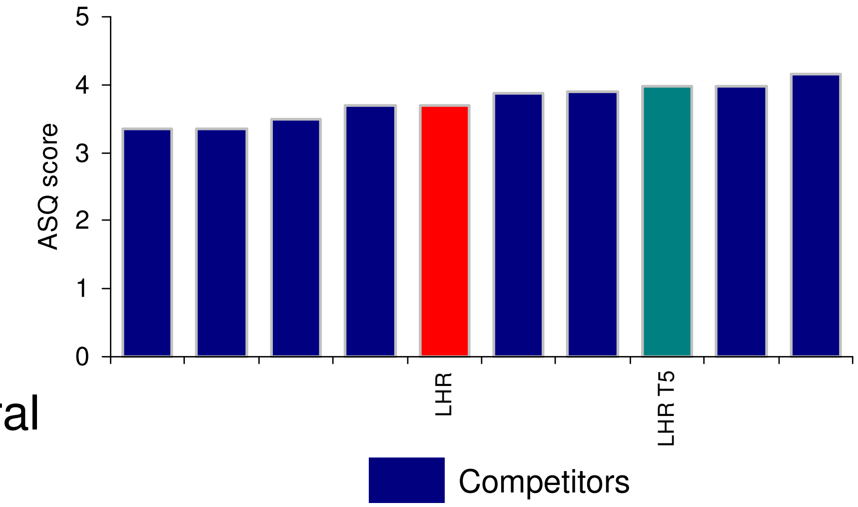
Enhancing passenger experience

- Consistently high service standards are strategic priority
- Substantial progress made in last year
  - lower payments under Heathrow and Gatwick service quality rebate schemes
  - Heathrow security queuing (<5 minutes):
    - Q1 2009: 98.7%; Q1 2008: 87.1%
  - Heathrow departure punctuality
    - Q1 2009: 78%; Q1 2008: 61%
- Raising standards key to delivering cost efficiencies
- Independent surveys underline improvements at Heathrow
- Ambition to compete effectively with European hubs, making Heathrow natural choice for passengers

Overall passenger satisfaction Q4 2007



Overall passenger satisfaction Q4 2008



Source: Airport Service Quality ('ASQ') surveys by Airports Council International

Continued substantial investment

- Good progress on capital investment programme
  - over £250 million spent in Q1 2009
  - airline constructive engagement working well
  - smart investment to reduce operating costs
  - some deferral of Heathrow Q5 capital investment programme
- Heathrow (£208.0 million spent)
  - Terminal 2A/2B and Terminal 5C
  - integrated baggage system
- Gatwick (£26.0 million spent)
- Stansted (£19.7 million spent)

Key regulatory and strategic developments

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Department for Transport (‘DfT’) regulatory review

- Support objectives to improve customer service, incentivise appropriate investment and address aviation’s environmental impact
- New ‘duty to finance’ supports investment
- DfT keen to engage with BAA creditors and implement appropriate new regime

Heathrow runway 3

- Government decision to proceed in January 2009 with strict environmental conditions
- Maintains UK’s essential connections enabling Heathrow to become world class hub airport
- Next step is to prepare planning application

Airport ownership

- Competition Commission requires sale of Gatwick and Stansted to different purchasers
- BAA still considering appeal
- Gatwick disposal in final stages

Key priorities

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Making every journey better

- Enhance end to end passenger experience
- Continue raising service standards, helping unlock further cost efficiencies
- Deliver world class infrastructure

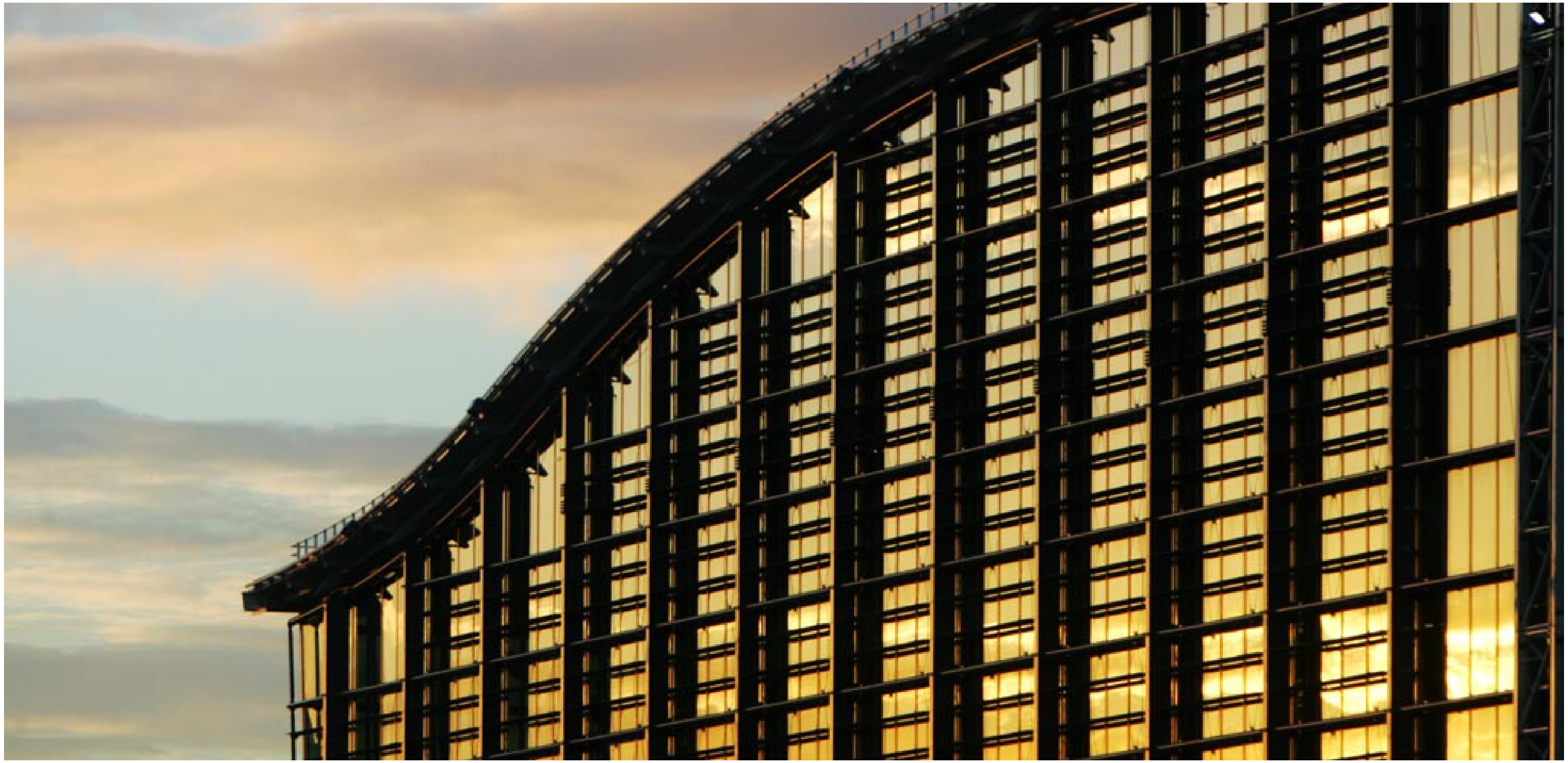
Importance of Heathrow

- Extend improvements in operational and financial performance
- Focus on enhancing competitive position
- Continue transformation programme

Address policy and regulatory issues

- Complete Gatwick disposal
- Remain fully engaged in DfT review
- Focus on delivering capacity expansions

Financial review



Overview

- Solid financial performance in challenging macroeconomic conditions
  - excellent retail results
  - cost efficiency
  - consistent with expectations
- Higher depreciation due to Terminal 5
- Increased net interest payable primarily reflects
  - £140.7 million non-cash fair value losses on financial instruments
  - £63.0 million less capitalised interest
- Net interest paid includes £63.4 million paid on intra-group loan
- Lower capital expenditure due to Terminal 5 in 2008 and re-phasing of current investment programmes

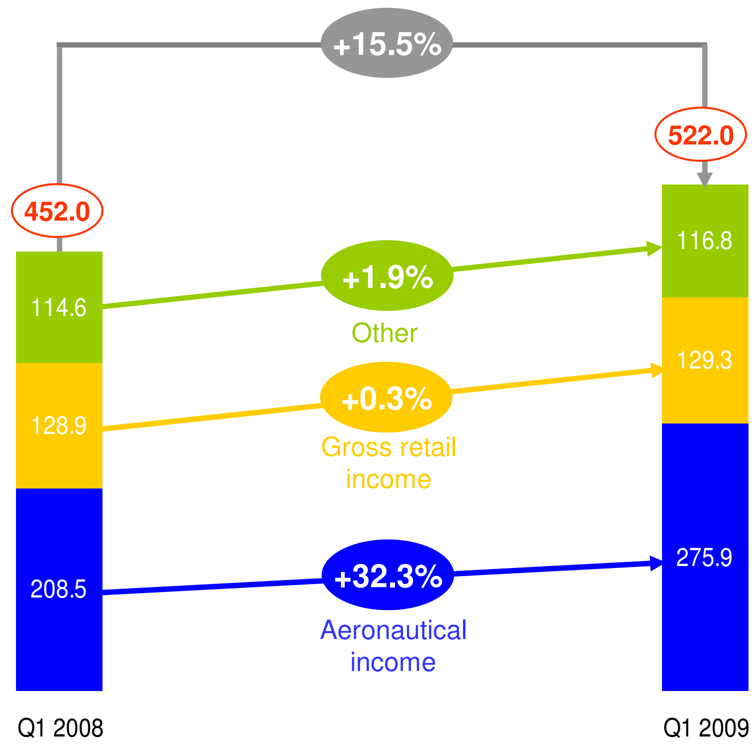
Q1 2009 BAA (SP) Limited consolidated financial highlights

	2008[1]	2009	Change
Revenue	452.0	**522.0**	**15.5%**
Staff costs[2]	(109.6)	**(96.9)**	**(11.6%)**
Non-staff costs[2]	(197.1)	**(239.3)**	**21.4%**
Adjusted EBITDA[3]	145.3	185.8	**27.9%**
Depreciation[4]	(74.4)	**(122.8)**	**65.1%**
Adjusted EBIT	70.9	**63.0**	**(11.1%)**
Net interest payable	(80.7)	**(327.2)**	**305.5%**
Post-tax loss	(37.8)	**(228.8)**	**n/a**
Cash flow from operations	140.1	**223.7**	**59.7%**
Net interest paid	0.9	**142.6**	**n/a**
Capital expenditure	262.5	**253.7**	**(3.4%)**
Net debt[5]	9,384.2	**9,552.5**	**1.8%**

1) Profit and loss account figures assume consolidation of Heathrow Express Operating Company Limited which was not acquired until 7 August 2008
2) Excluding depreciation and exceptional items
3) Adjusted EBITDA is earnings before interest, tax, depreciation and amortisation and exceptional items
4) Excluding accelerated depreciation
5) Nominal debt excluding intra-group loans and index-linked accretion of £42 million at 31 December 2008 and £17 million at 31 March 2009

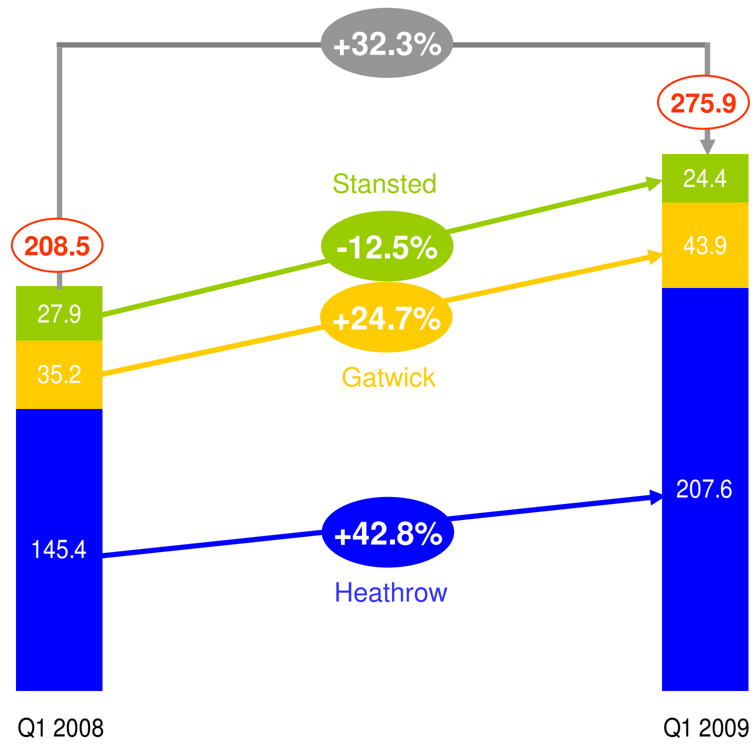
Revenues

- Revenue growth substantially ahead of passenger trends
  - +15.5% reported
  - +6.0% underlying
- New tariffs deliver higher aeronautical income at Heathrow and Gatwick
- Strong retail performance
  - Heathrow and in-terminal activities
- Increase in other revenues
  - property rental
  - rail
  - PRM services



Revenues – Aeronautical income

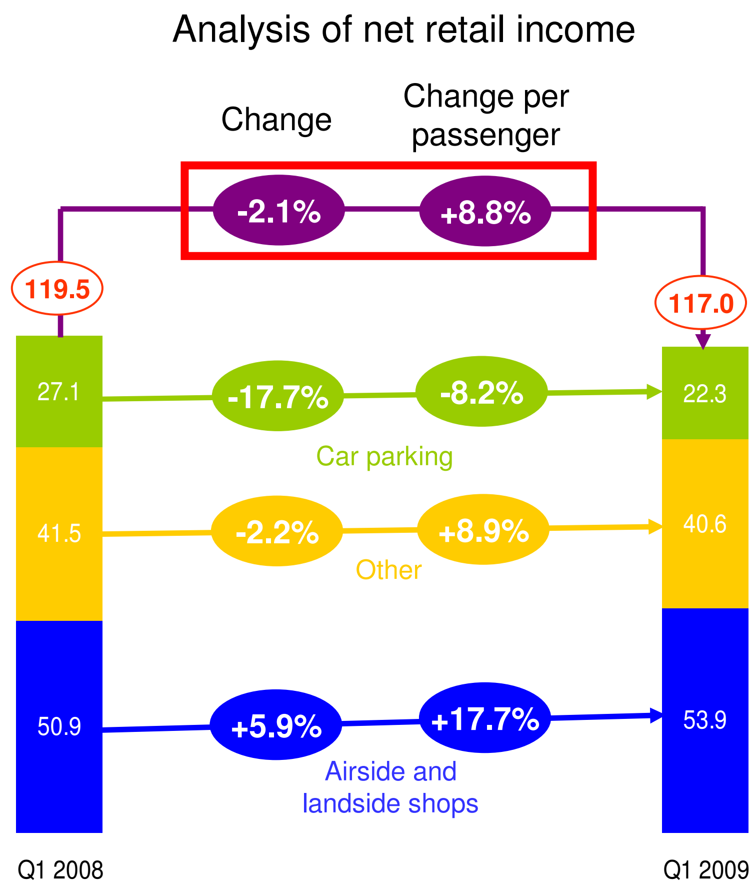
- Increased aeronautical income supports substantial investment
  - 32.3% reported
  - 14.9% underlying(1)
- Impact of new Heathrow/Gatwick tariffs
- Q1 2009 included
  - £22.8 million in charges for NATS' aerodrome navigation services
  - £13.6 million related to phasing of first year tariff increases
- Stansted performance reflects flat tariffs and passenger traffic



1) After adjusting for NATS and phasing of tariff increases in first year of new regulatory period

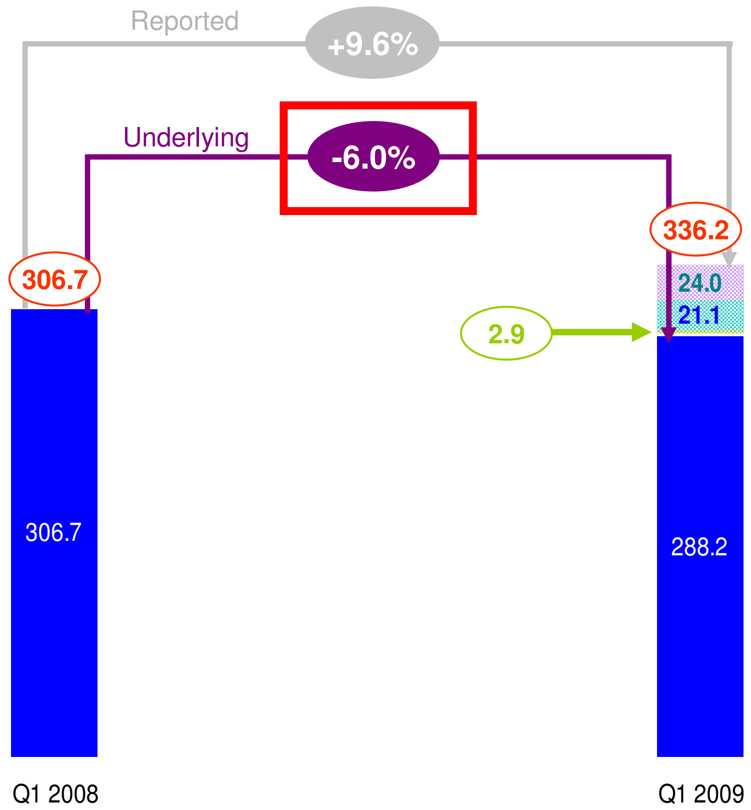
Revenues – Retail income

- Strong retail performance given decline in passenger traffic
- 8.8% increase in net retail income ('NRI') per passenger to £4.71 (2008: £4.33)
  - Heathrow: +12.7%
  - Gatwick: +5.0%
  - Stansted: -3.8%
- Adjusting for non-recurring income, Heathrow NRI per passenger up 8.3%
- Airside and landside shops and other in-terminal activities driving performance
- Car parking reflects higher transfer traffic, lower domestic traffic and transport mode switches



Operating costs[1]

- Substantial efficiency improvements
- Adjustments to reported costs to provide like for like comparison with 2008
  - £24.0 million in NATS and PRM costs
  - £21.1 million incremental Terminal 5 costs
  - £2.9 million in other costs
- 6.0% underlying cost reduction
  - 15% lower staff costs
  - 20% lower general expenses
  - lower intra-group charges due to 15% lower central overheads reducing payments under shared service agreement



1) Excluding depreciation and exceptional items

Debt and interest

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	Nominal debt	Accounting debt	Interest payable (P&L)	Interest paid (cash flow)
Bonds	£4,498.9m	£4,781.7m		
Refinancing facility	£4,400.0m	£4,341.4m		
Capex/EIB facilities	£709.7m	£707.3m		
Cash	£(56.1)m	£(56.1)m		
Net debt (external to BAA group)	£9,552.5m	£9,774.3m	£301.0m(1)	£79.2m
SP debenture	£1,565.8m	£1,565.8m	£26.2m	£63.4m
Net debt	£11,118.3m	£11,340.1m	£327.2m	£142.6m

Figures in BAA (SP) Limited's financial statements

Figures relevant to BAA (SP) Limited external debt holders

1) Includes £140.7 million in fair value loss on financial instruments

Net debt movement

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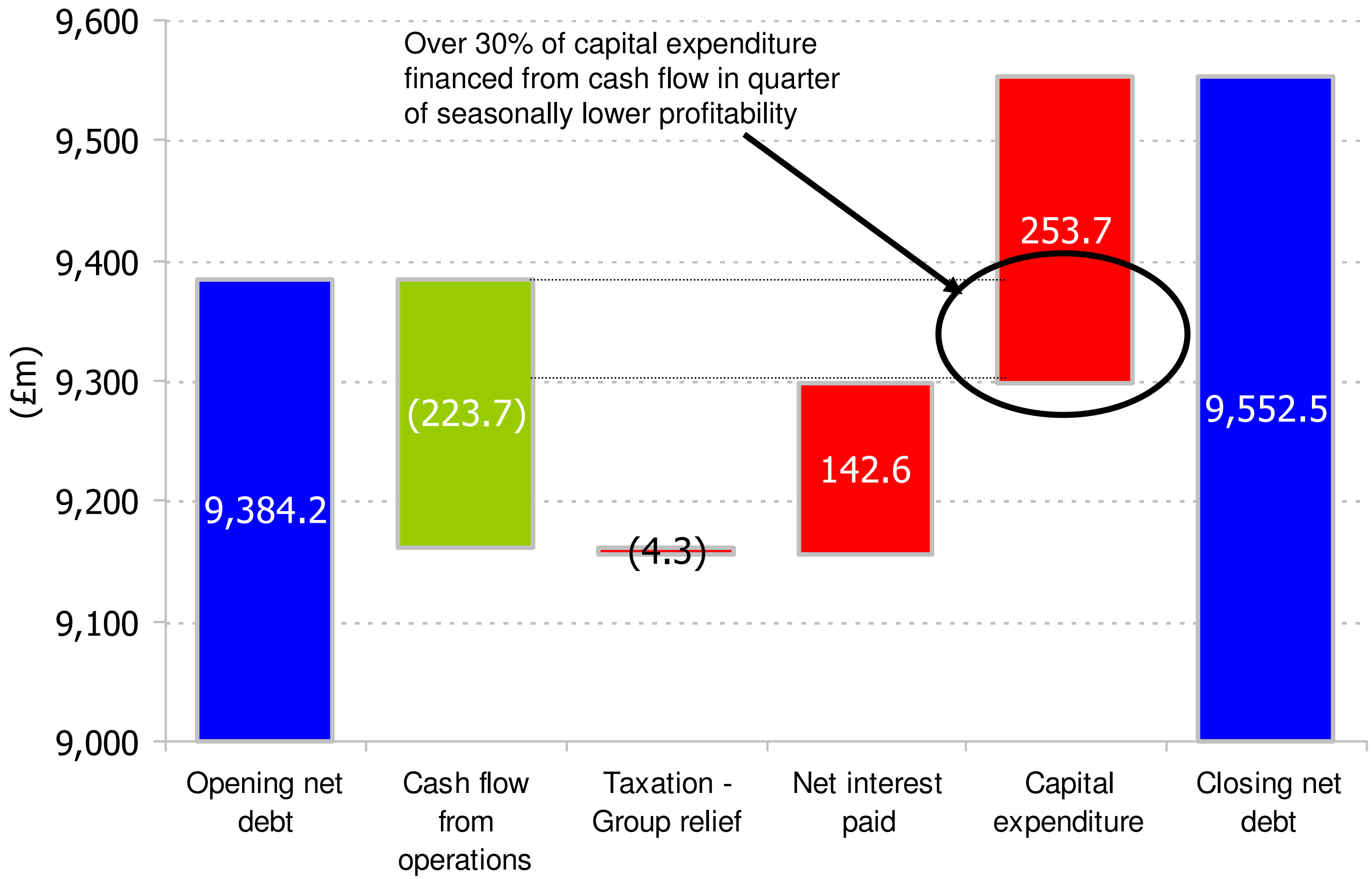


Debt, RAB and Regulatory Asset Ratio

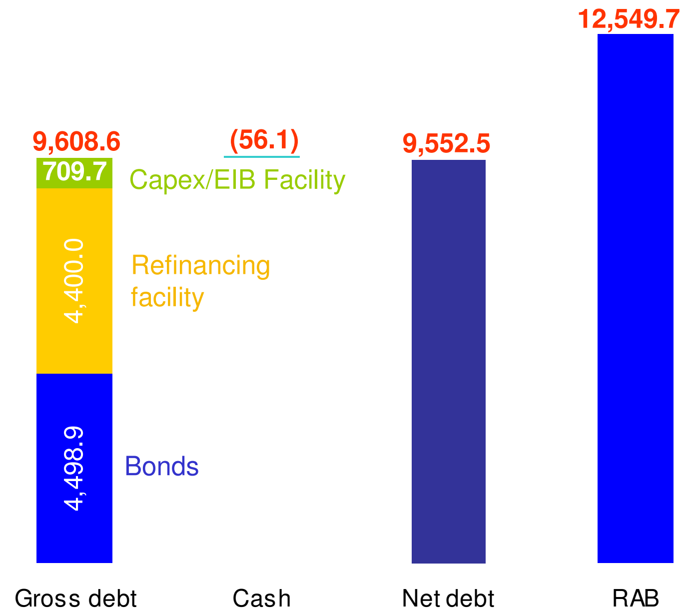
- Net debt at 31 March 2009
  - accounting: £9,774.3 million
  - nominal: £9,552.5 million
- Nominal net debt up £168.2 million since 31 December 2008
- 6.33% average cost of debt at 31 March 2009, post hedging
- Inflation trends impacted evolution in RAB
- Comfortably complying with RAR ratios
  - flexibility to switch up to £300 million of current borrowings to Class B/Junior Debt
- Substantial liquidity with £2.5 billion in cash and undrawn facilities

1) Debt figures are nominal values unless otherwise stated and exclude intra-BAA group loans

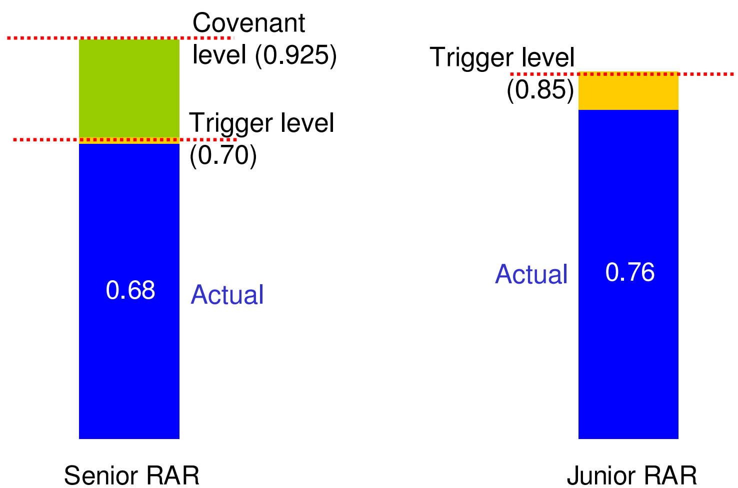
2) To calculate RAR ratios, index-linked accretion (£17 million at 31 March 2009) is added to nominal net debt

3) See Appendix for more detailed debt information

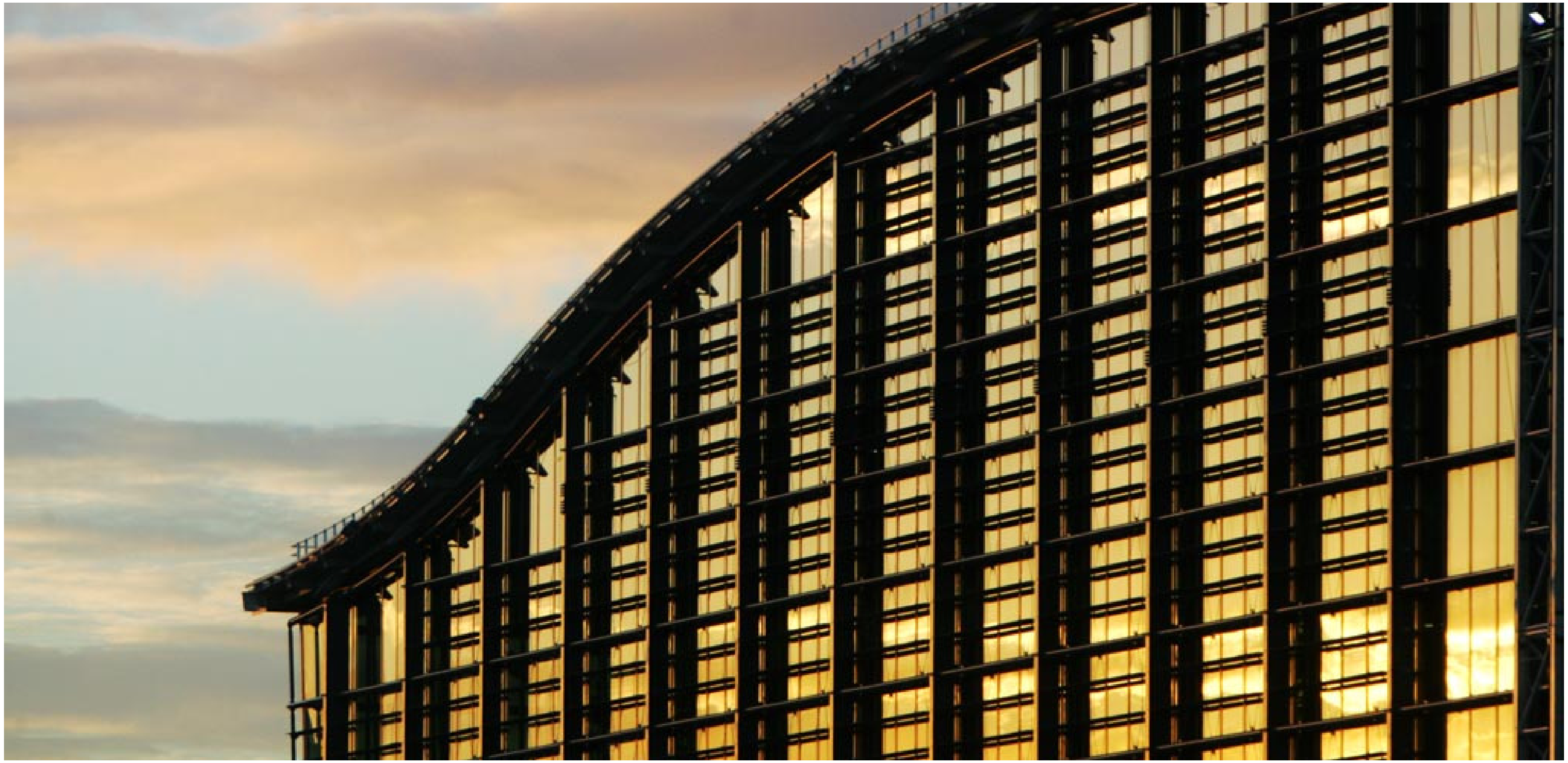
Debt and RAB at 31 March 2009 (£m)



Regulatory Asset Ratios at 31 March 2009



Outlook and conclusion



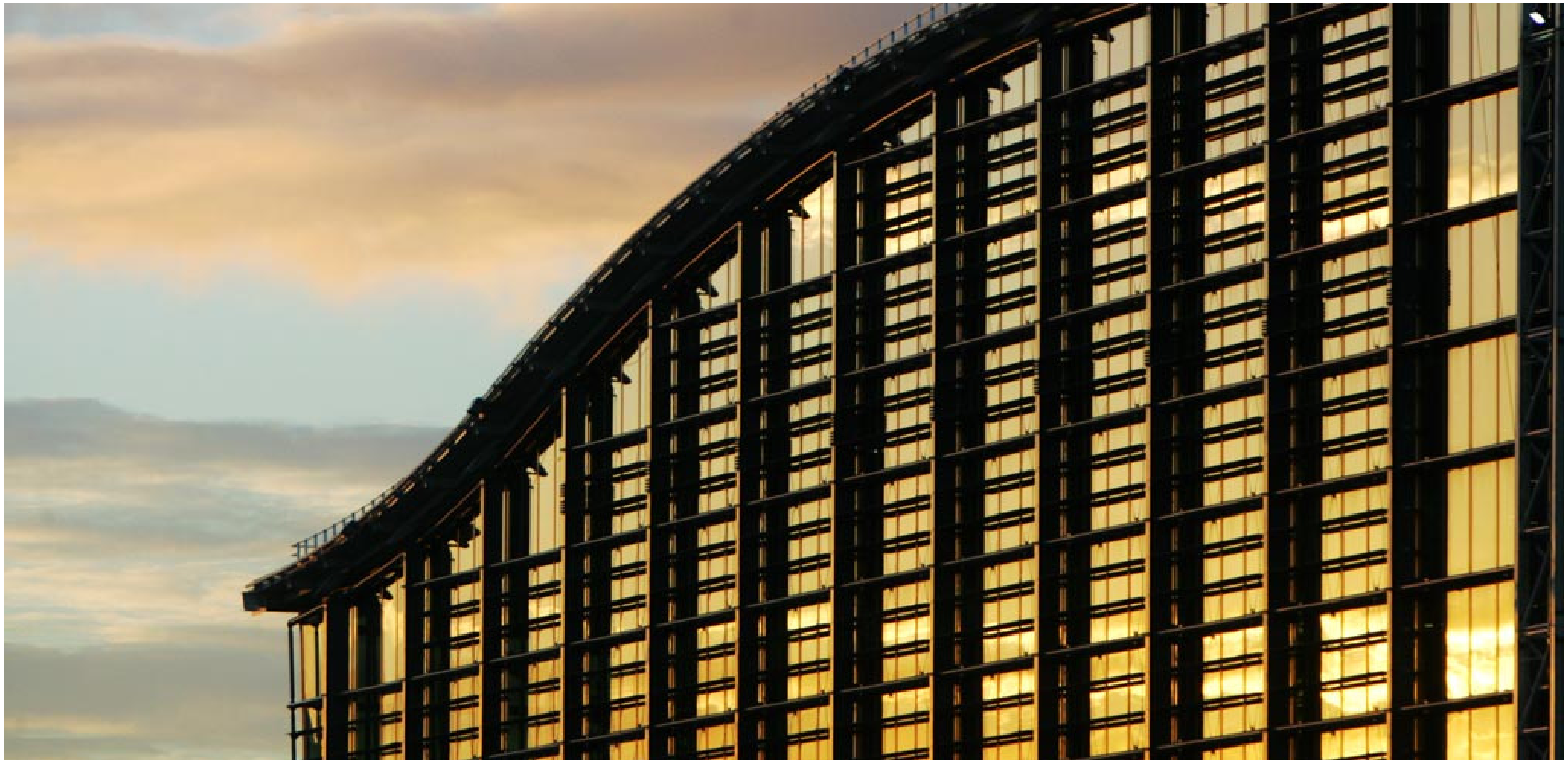
Outlook and conclusion

- Solid performance delivered in challenging macroeconomic conditions
- Heathrow's global hub status drives superior performance
- Delivered against October 2008 forecast for year to 31 March 2009
  - actual Adjusted EBITDA consistent with forecast despite adverse passenger variance
- Traffic declines stabilising with comparatives easing as 2009 progresses

- 2009 Adjusted EBITDA outlook remains consistent with previous guidance
  - slightly lower traffic
  - stronger retail
  - greater cost efficiency

- Focus on key strategic priorities
  - making every journey better
  - importance of Heathrow
  - address policy and regulatory issues

Appendix



Nominal net debt at 31 March 2009

		Debt outstanding at 31 March 2009		Amount and features of available facilities			
		Amount	Cost	Local currency		S&P/Fitch Rating	Maturity
Senior (Class A)		(£m)		(m)	(£m)		
Bonds		680.2		€1,000	680.2	A-/A-	2012/14
		396.4		£396	396.4	A-/A-	2013/15
		512.9		€750	512.9	A-/A-	2014/16
		299.9		£300	299.9	A-/A-	2016/18
		510.2		€750	510.2	A-/A-	2018/20
		249.8		£250	249.8	A-/A-	2021/23
		749.6		£750	749.6	A-/A-	2023/25
		199.9		£200	199.9	A-/A-	2028/30
		900.0		£900	900.0	A-/A-	2031/33
Total bonds		***4,498.9***	***6.43%***		***4,498.9***		
Bank debt	Refinancing Facility	3,400.0		£3,400	3,400.0	A-/A-	2010/13
	EIB Facility	406.7		£407	406.7	A-/A-	2010/22
	Capex Facility	303.0		£2,300	2,300.0	n/a	2013
	Working Capital Facility	0.0		£50	50.0	n/a	2013
Total bank debt		***4,109.7***	***6.34%***		***6,156.7***		
Total senior debt		**8,608.6**	***6.39%***		**10,655.6**		
Junior (Class B)							
Bank debt	Refinancing Facility	1,000.0		£1,000	1,000.0	BBB/BBB	2010/13
	Capex Facility	0.0		£400	400.0	n/a	2013
Total junior debt		**1,000.0**	***5.77%***		**1,400.0**		
Gross debt		**9,608.6**	***6.33%***		**12,055.6**		
Cash		**(56.1)**					
Net debt		**9,552.5**					

1) External debt of the Security Group excluding intra-BAA group loans
2) Data reflects nominal value of debt before index-linked accretion of £17 million

Interest payable and interest paid reconciliation

	SP debenture	External debt	Total
Interest receivable	0.0	**38.8**	**38.8**
Interest payable and similar charges	(26.2)	**(204.6)**	**(230.8)**
Fair value loss on financial instruments	0.0	**(140.7)**	**(140.7)**
Interest capitalised	0.0	**5.5**	**5.5**
Total net interest payable (profit and loss account)	(26.2)	**(301.0)**	**(327.2)**
Non-cash adjustments			
Fair value loss on financial instruments	0.0	**140.7**	**140.7**
Interest capitalised	0.0	**(5.5)**	**(5.5)**
Derivative prepayment interest amortisation	0.0	**37.1**	**37.1**
Amortisation of fees and bond fair value adjustment	0.0	**27.5**	**27.5**
Movement in interest accruals	(37.2)	**20.1**	**(17.1)**
Other	0.0	**1.9**	**1.9**
Net interest paid (cash flow statement)	(63.4)	**(79.2)**	**(142.6)**

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