



GATWICK AIRPORT JOINS VINCI AIRPORTS December 2018

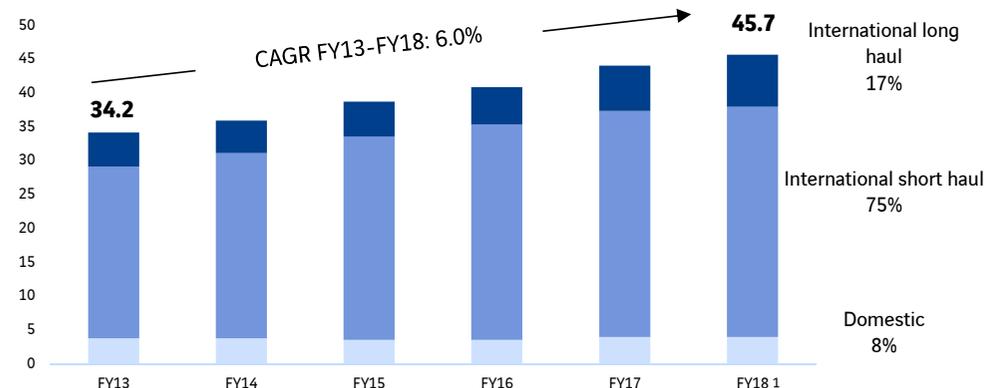
Asset presentation

Gatwick is the 2nd largest airport in the UK and the 8th busiest in Europe with 46 mpax

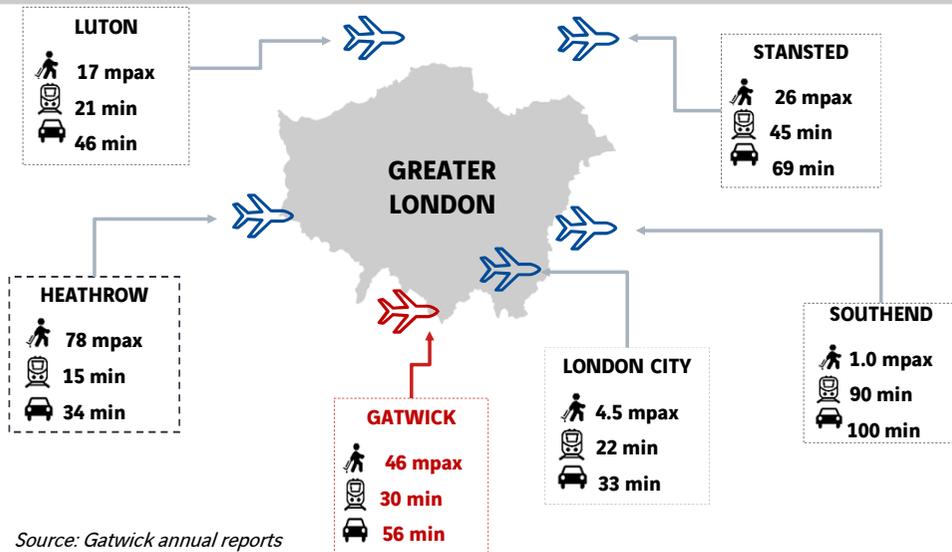
Key features

- » **46 mpax in FY18, in the wealthiest region of Europe**
- » **GBP 411m EBITDA (FY2018²)**
- » **Premium location**
- » **Freehold asset** (perpetual duration property regime)
- » **Congested airport** in a constrained London airports system
- » **New “contracts-based” regulation** since 2014 (non RAB-based)

Gatwick historical traffic growth



Overview of London airports



Key figures (GBP m)¹

	2016 ²	2017 ²	2018 ²
Traffic	40.9	44.1	45.7
Traffic growth	5.5%	7.7%	3.6%
Total revenue	673	725	764
Revenue growth	5.5%	7.7%	5.4%
EBITDA	331	374	411
EBITDA margin	49.2%	51.5%	53.8%
Net Debt	1,907	2,077	2,671
Net Debt / EBITDA	5.8 x	5.6 x	6.5 x

1. Source: Gatwick annual reports

2. UK Fiscal year ending in March

Transaction summary

Acquisition of a 50.01% controlling stake alongside minority shareholders managed by GIP

Transaction context

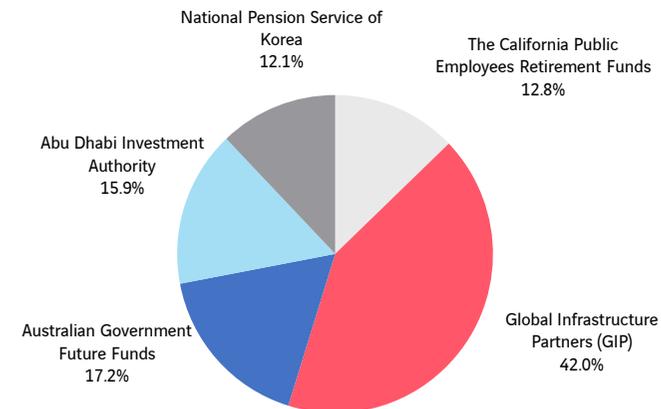
- » **Direct negotiation** with GIP
- » Existing shareholders sell their stake
- » Acquisition by **VINCI Airports** of a **50.01% stake allowing global consolidation**
- » Alongside a **GIP-managed block of 49.99%**
- » **Syndication of this 49.99% block** to be conducted by GIP after signing
- » **GIP partners** to re-invest c. **GBP 30m** (1% of assets)
- » Price below **20 x EV/EBITDA 2019¹** i.e. **GBP 2.9 bn Equity Value** for **50.01%**

Timing

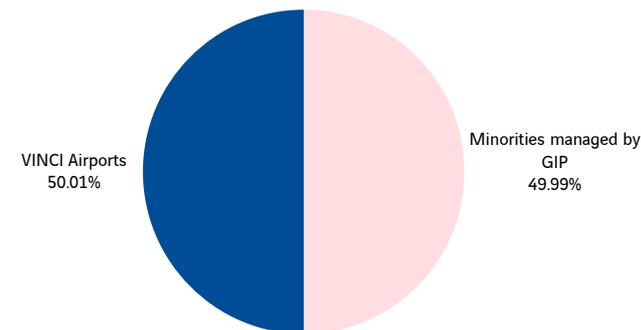
- » Signing of the Transaction: **27 December 2018**
- » Closing of the Transaction by **end of June 2019**

Shareholding structure

Current capital structure



Capital structure post closing



1. UK Fiscal year ending in March 2019

An outstanding asset with further growth potential

1

Second largest airport in the UK

- **Second busiest airport (46 mpax) in the UK** after Heathrow (78mpax)
- **Premium location** (London household income/ capita 1.4x UK average, 35mpax in catchment area)
- **Freehold asset** (perpetual duration property regime)

2

Most efficient airport in the world integrating VINCI Airports' network

- **Most efficient single runway** in the world: in 2017, world record of **950** flights in a day
- **Management continuity** is a key parameter
- Very high level of **operational efficiency: 550 pax/hour/security lane**
- One of the **most innovative** airports: self bag drop/alpha box (queuing of plane)/parking product etc.

3

Still room for capacity increase to welcome additional traffic

- **Further improvement and light investment** to develop the current cap of **55 mvts** at peak hours
- **Northern runway project¹**: investment to increase capacity up to **70 mvts/hours**
- Long term: **second parallel runway¹** in the south

4

Light-handed regulation based on the Contracts and Commitments framework

- **Contracts and Commitments framework** replaced the RAB-based price control since 2014
- Trend is towards light-handed regulation based on **bilateral agreements with airlines** (60% of traffic under contracts going beyond 2021)
- **GIP** staying in an asset management role, providing its experience with CAA (Civil Aviation Authority) and stakeholders

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Commercial potential to be unlocked

- Further room for **commercial performance improvement**
- **Retail and F&B offer** can still be **substantially improved**

1. Not factored in our central scenario

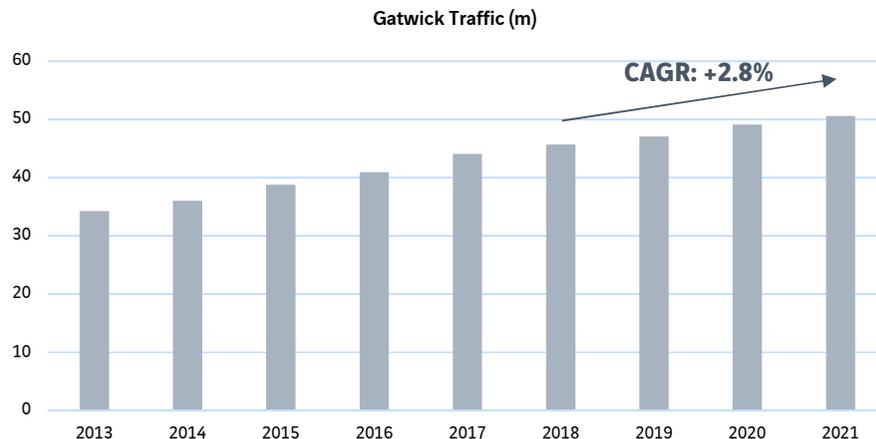
Growth prospects

Key Financial Highlights (Management Forecasts)

» Key financials at 100%

Nominal data and in GBP

	2018 ¹	2019e ¹	2020e ¹	2021e ¹	2018-2021 CAGR
Traffic (m pax)	45.7	47.1	49.1	50.6	2.8%
Capex	240 m	266 m	233 m	227 m	
o/w Asset Stewardship	63 m	67 m	69 m	67 m	
Operational Cash Flow ²	368 m	418 m	495 m	579 m	16.3%



1. Management forecast, UK fiscal year ending in March

2. Operational Cash Flow defined as EBITDA minus Working Capital Requirement change

Source: Gatwick Airport Masterplan, Capital Investment Programme 2018, Sept-18 Investor Update

» Traffic growth

- » Aircraft upgauge (all main airlines have fleet renewals programs)
- » Long/Short Haul substitution
- » Off-peak, winter period and summer shoulders increase

» EBITDA growth

- » Aero yield growth based on current contracts (60% traffic going after 2021)
- » Retail contracts already renegotiated (incl. Duty Free)
- » Car parking capacity increases
- » Cost savings (relying on IT and efficiency initiatives)

» Capex

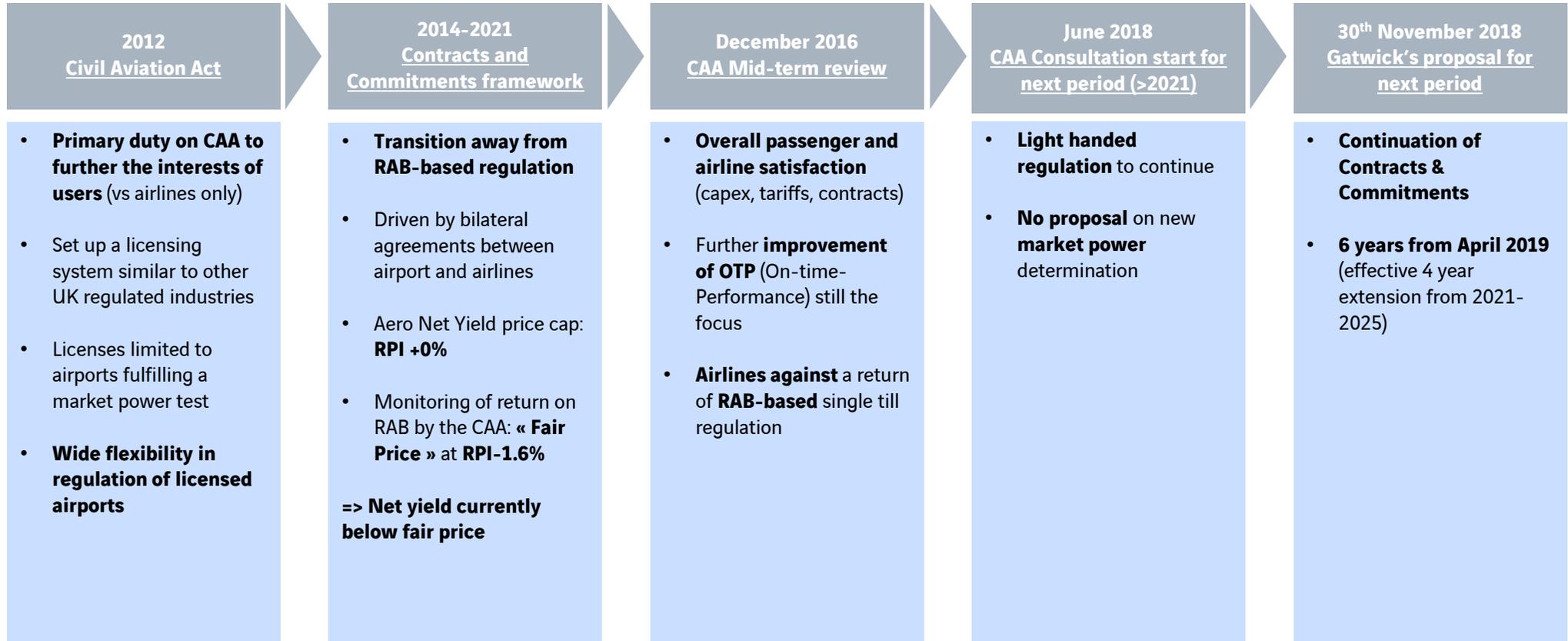
- » Gatwick engaged in a 5-year CIP including an exceptional expansion capex program published in May 2018
- » Master Plan published in October 2018

» Debt

- » GAL will respect the covenants of its investment grade, secured corporate financing

Major deregulation trend over the past 10 years

From RAB-based regulation to Contracts & Commitments

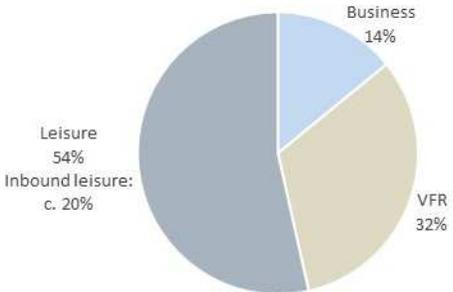


=> Trend is towards light-handed regulation based on bilateral agreements with airlines

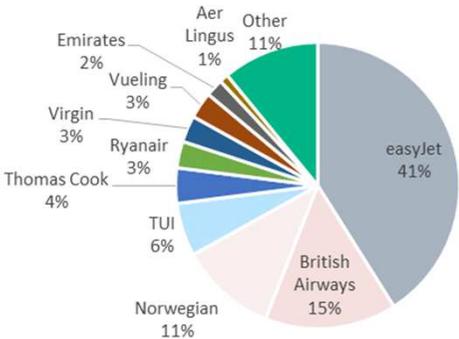
Brexit impact mitigants for Gatwick

- » Traffic assumptions based on **GDP forecasts significantly lower than consensus**
- » **London airports system's congestion** makes the traffic resilient
- » Within the London Airports System, slots at Gatwick are more valuable vs **Stansted and Luton** because **airline yields are higher**
- » **Traffic at Gatwick is 32% VFR and c.20% inbound leisure** providing resilience to UK GDP and currency evolution
- » The most likely outcome for Traffic Rights and Aviation Safety is the finding of a reasonably **liberal agreement between EU and UK**
- » **Flexibility for managing Capex**

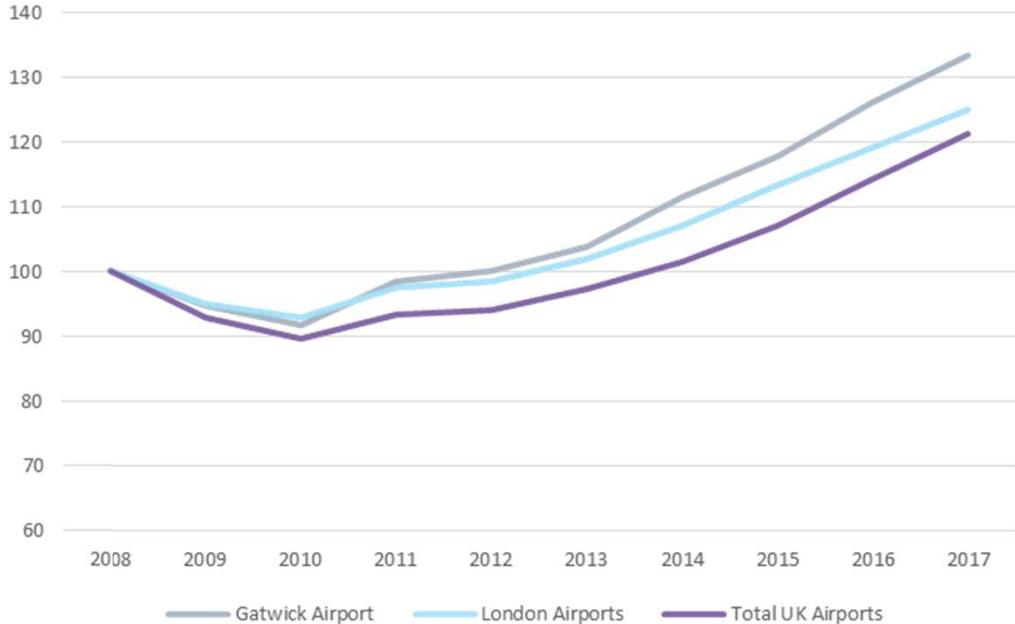
Traffic breakdown by segment (FY18)



Traffic breakdown by airlines (FY18)



Traffic evolution – Base 100¹



1. Source: CAA Annual Statistics

INDUSTRIAL RATIONALE



- ✓ **Freehold airport: extension of our concessions portfolio maturity**
- ✓ **Acceleration of our international footprint**
- ✓ **VINCI Airports enters the world's biggest air market and reinforces its position of leading airports operator, with the most diversified portfolio of assets worldwide**



VALUE CREATION (PRICE)



- ✓ **Reasonable price** (direct negotiations), which meets our investment and **capital discipline** criteria
- ✓ Deal rapidly **accretive**

CONTROL (full consolidation)



- ✓ **Control and consolidation of the asset, in line with VINCI's M&A policy**

CULTURAL FIT



- ✓ **Best practice** sharing between this **best-in-class** airport and the other platforms of the Group