

## FINAL TERMS

**MIFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of the manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturer’s target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

**PRIIPs Regulation / PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II or (ii) a customer within the meaning of Directive 2002/92/EC (as amended, the "**IMD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Final Terms dated 7 March 2019

Heathrow Funding Limited

Issue of Sub-Class A-44 €86,000,000 Zero-Coupon Bonds due 2041

under the Bond Programme

### PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the conditions set forth in the Prospectus dated 10 August 2018 and the supplement to it dated 1 March 2019, which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) as amended (which includes the amendments made by Directive 2010/73/EU to the extent that such amendments have been implemented in a relevant Member State of the European Economic Area (the "**Prospectus Directive**"). This document constitutes the Final Terms of the Bonds described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Prospectus as so supplemented. Full information on the Issuer and the offer of the Bonds is only available on the basis of the combination of these Final Terms and the Prospectus as so supplemented. The Prospectus and the supplement is available for viewing at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>.

1	(i)	Issuer	Heathrow Funding Limited
	(ii)	Obligors:	Heathrow Airport Limited, Heathrow (SP) Limited, Heathrow (AH) Limited, Heathrow Express Operating Company Limited
2	(i)	Series Number	42
	(ii)	Sub-Class Number:	A-44
	(iii)	Date on which the Bonds will be considered and form a single series:	Not Applicable
3		Relevant Currency or Currencies:	EUR

4	Aggregate Nominal Amount of Bonds admitted to trading:	
	(i) Series:	€86,000,000
	(ii) Tranche:	€86,000,000
	(iii) Sub-Class:	€86,000,000
5	(i) Issue price:	100 per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	€100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Bonds in definitive form will be issued with a denomination above €199,000.
	(ii) Calculation Amount:	€1,000
7	(i) Issue Date:	11 March 2019
	(ii) Interest Commencement Date (if different from the Issue Date):	Not Applicable
8	(i) Scheduled Redemption Date:	11 September 2039
	(ii) Maturity Date:	11 September 2041
9	Instalment Date:	Not Applicable
10	Interest Basis:	Zero Coupon
11	Redemption/Payment Basis:	In accordance with Condition 8
12	Change of Interest or Redemption/Payment Basis:	Not Applicable
13	Put/Call Options:	Issuer Call Option (further particulars specified below)
14	Date Board approval for issuance of Bonds obtained:	7 March 2019

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

15	Fixed Rate Bond Provisions:	Not Applicable
16	Floating Rate Bond Provisions:	Not Applicable
17	Zero Coupon Bond Provisions:	Applicable
	(i) Accrual Yield:	2.167 per cent. per annum
	(ii) Reference Price:	€1,000
	(iii) Any other formula/basis of determining amount payable:	Not Applicable
	(iv) Day Count Fraction in relation to Early Redemption Amounts and late payment for purposes of Condition 8(i) and the calculation of the Principal Amount Outstanding	Actual/Actual ICMA
18	Indexed Bond Provisions:	Not Applicable

**PROVISIONS RELATING TO REDEMPTION**

19	Issuer Call Option:	Applicable in accordance with Condition 8(d)
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(i)	Optional Redemption Date(s):	Redemption	Applicable on and after 11 March 2039 in accordance with Condition 8(d)
(ii)	Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	Redemption	Calculated in accordance with Condition 8(h)
(iii)	If redeemable in part:		
(iv)	Minimum Redemption Amount:	Redemption	Not Applicable
(v)	Maximum Redemption Amount:	Redemption	Not Applicable
(vi)	Notice period (if other than as set out in the Conditions):		Not Applicable
20	Put Option:		Not Applicable
21	Final Redemption Amount of each Bond:		The Redemption Amount of each Bond on the Scheduled Redemption Date for the purposes of Condition 8(a) shall be the Principal Amount Outstanding of each Bond on the Scheduled Redemption Date.  The Redemption Amount of each Bond for the purposes of Condition 8(b) shall be determined in accordance with Condition 8(c)
	In cases where the Redemption Amount is Index-Linked or other variable-linked:		Not Applicable
22	<b>Early Redemption Amount:</b>		
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):		Determined in accordance with Condition 8(f) (with the Redemption Amount for the purposes of Condition 8(f) being determined in accordance with Condition 8(h)), Condition 8(g) or Condition 8(h), as the case may be

#### **GENERAL PROVISIONS APPLICABLE TO THE BONDS**

23	<b>Form of Bonds:</b>		Registered
	(ii) If issued in Bearer form:		Not Applicable
	(ii) If Registered Bonds:		Regulation S Global Bond Certificate registered in the name of a nominee for the common depository for Euroclear and Clearstream, Luxembourg exchangeable for Individual Bond Certificates in the circumstances described in such Regulation S Global Bond Certificate
24	Relevant Financial Centre(s):		London
25	Talons for future Coupons or Receipts to be attached to Definitive Bonds (and dates on which such Talons mature):		Not Applicable
26	Details relating to Instalment Bonds:		Not Applicable

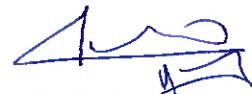
Signed on behalf of the Issuer:

By:   
Duly authorised

Signed on behalf of Heathrow Airport Limited:

By:   
Duly authorised

Signed on behalf of Heathrow Express Operating Company Limited:

By:   
Duly authorised

Signed on behalf of Heathrow (SP) Limited:

By:   
Duly authorised

Signed on behalf of Heathrow (AH) Limited:

By:   
Duly authorised

**PART B – OTHER INFORMATION****1 Listing**

- |       |   |  |
|-------|---|--|
| (i)   | Listing   | London   |
| (ii)  | Admission to trading:                                       | Application is expected to be made by the Issuer (or on its behalf) for the Bonds to be admitted to trading on the London Stock Exchange’s regulated market and listing on the Official List of the UK Listing Authority with effect from 11 March 2019. |
| (iii) | Estimate of total expenses related to admission to trading: | £3,600   |

**2 Ratings**

The Bonds to be issued are expected to be rated:

S&P: A- (Negative)

Fitch: A- (Stable)

**3 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Save as discussed in “*Subscription and Sale*”, so far as the Issuer is aware, no person involved in the offer of the Bonds has an interest material to the offer.

**4 REASONS FOR THE OFFER**

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|-----|------------------------|---|
| (i) | Reasons for the offer: | See “ <i>Overview</i> ” in the Prospectus |
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**5 OPERATIONAL INFORMATION**

Any clearing system(s) other than DTC, Euroclear Bank S.A./N.V. and Clearstream Banking Société Anonyme and the relevant identification number(s):	Not Applicable
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Delivery:	Delivery against payment
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Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
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ISIN Code:	Regulation S XS1958301183
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Common Code:	Regulation S 195830118
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Prohibition of Sales to EEA Retail Investors:	Applicable
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