

**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 Directive 2014/65/EU (as amended, "MiFID II"); (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; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the "Prospectus Directive"). 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.

### Heathrow Funding Limited

Issue of Sub-Class A-39 CAD 400,000,000 3.40% Fixed Rate Bonds due 2030

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 26 June 2017 and the supplement to it dated 28 February 2018 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 are 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	36
	(ii) Sub-Class Number:	A-39
	(iii) Date on which the Bonds will be considered and form a single series:	Not Applicable
3	Relevant Currency or Currencies:	Canadian Dollar ("CAD")
4	Aggregate Nominal Amount of Bonds admitted to trading:	
	(i) Series:	CAD 400,000,000
	(ii) Tranche:	CAD 400,000,000
	(iii) Sub-Class:	CAD 400,000,000
5	Issue price:	99.865 per cent. of the Aggregate Nominal

6	(i)	Specified Denominations:	Amount CAD200,000 and integral multiples of CAD1,000 in excess thereof up to and including CAD399,000. No Bonds in definitive form will be issued with a denomination above CAD399,000
	(ii)	Calculation Amount:	CAD1,000
7	(i)	Issue Date:	8 March 2018
	(ii)	Interest Commencement Date (if different from the Issue Date):	Issue Date
8	(i)	Scheduled Redemption Date:	8 March 2028
	(ii)	Maturity Date:	8 March 2030
9		Instalment Date:	Not Applicable
10		Interest Basis:	3.40 per cent. Fixed Rate
11		Redemption/Payment Basis:	Redemption at par
12		Change of Interest or Redemption/Payment Basis:	Condition 6(d) is applicable
13		Put/Call Options:	Issuer Call Option (further particulars specified below)
14		Date Board approval for issuance of Bonds obtained:	On or around 2 March 2018
<b>PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE</b>			
15		Fixed Rate Bond Provisions:	Applicable
	(i)	Interest Rate:	3.40 per cent, per annum payable semi-annually in arrear
	(ii)	Screen Rate Determination:	
		- Relevant Rate:	6-month CDOR
		- Interest Determination Date(s):	The first day of each Interest Period
		- Page	Reuters Screen CDOR
		- Relevant Time:	10:00 a.m. Toronto Time
		ISDA Determination:	
		- Floating Rate Option:	Not Applicable
		- Designated Maturity:	Not Applicable
		- Specified Duration	Not Applicable
		- Reset Date:	Not Applicable
	(iii)	Step-Up Fixed Fee Rate:	4.00 per cent per annum
	(iv)	Interest Determination Date:	As defined in Condition 6(i)
	(v)	Interest Payment Date(s):	8 March and 8 September in each year, commencing on 8 September 2018, in each case, subject to adjustment in accordance with the Following Business Day Convention in respect of payment dates only
	(vi)	First Interest Payment Date:	8 September 2018
	(vii)	Fixed Coupon Amount:	CAD 17.00 per Calculation Amount
	(viii)	Broken Amount(s):	Not Applicable
	(ix)	Day Count Fraction:	Actual /Actual Canadian Compound Method
	(x)	Reference Gilt:	Not Applicable
	(xi)	Comparable German Bund Issue:	Not Applicable
	(xii)	Comparable United States Treasury Securities:	Not Applicable
	(xiii)	Fixed Rate Bond denominated in CAD	
		- Percentage amount over the Government of Canada Yield:	0.285 per cent.
	(xiv)	Fixed Rate Bonds denominated in AUD:	Not Applicable

	(xv) Fixed Rate Bonds denominated in NOK:	Not Applicable
	(xvi) Fixed Rate Bonds denominated in SGD	Not Applicable
	(xvii) Fixed Rate Bonds denominated in HKD	Not Applicable
	(xviii) Fixed Rate Bonds denominated in SEK	Not Applicable
16	Floating Rate Bond Provisions:	Not Applicable
17	Zero Coupon Bond Provisions:	Not Applicable
18	Indexed Bond Provisions:	Not Applicable
<b>PROVISIONS RELATING TO REDEMPTION</b>		
19	Issuer Call Option:	Applicable in accordance with Condition 8(d)
	(i) Optional Redemption Date(s):	Any Interest Payment Date
	(ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s):	As set out in Condition 8(d)
	(iii) If redeemable in part:	As set out in Condition 8(d)
	(iv) Minimum Redemption Amount:	Not Applicable
	(v) Maximum Redemption Amount:	Not Applicable
	(vi) Notice period (if other than as set out in the Conditions):	As set out in Condition 8(d)
20	Put Option:	Not Applicable
21	Final Redemption Amount of each Bond:	CAD1,000 per Calculation Amount
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):	As set out in the Conditions
<b>GENERAL PROVISIONS APPLICABLE TO THE BONDS</b>		
23	<b>Form of Bonds:</b>	Registered
	(i) If issued in Bearer form:	Not Applicable
	(ii) If Registered Bonds:	Regulation S Global Bond Certificate registered in the name of a common depository for CDS Clearing and Depository Services Inc. exchangeable for Individual Bond Certificates in the circumstances described in such Regulation S Global Bond Certificate
24	Relevant Financial Centre(s):	Toronto
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
27	Prohibition of Sales to EEA Retail Investors:	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 to take effect from 8 March 2018
- (iii) Estimate of total expenses related to admission to trading: £3,600

### 2 RATINGS

- Ratings: The Bonds to be issued have been rated:  
S&P: A- (stable)  
Fitch: A- (pos)

### 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 YIELD

Indication of yield: 3.416 per cent. per annum

### 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): CDS Clearing and Depository Services Inc.

Delivery: Delivery free of payment

Names and addresses of additional Paying Agent(s) (if any): BNY Trust Company of Canada  
1 York Street, 6<sup>th</sup> Floor  
Toronto, Ontario  
M5J 0B6  
Canada

ISIN Code: CA42246QAC20

Common Code: 179013410

CUSIP: 42246QAC2