PRESS RELEASE

11 July 2025

*For immediate use*

**HEATHROW PLANS WILL BE PAID FOR BY PASSENGERS**

Heathrow latest business plan (1) suggests that the airport is to take on a further £8bn of debt, leaving their passengers to pay for terminal upgrades and, no doubt, the third runway. The airport is already saddled with £20bn of debt according to their 2024 accounts. The £10bn headline figure includes £2bn of shareholder equity - perhaps a first genuine investment outside of Covid – which means the remaining £8bn will be debt that ultimately will be passed onto the travelling public.

Heathrow deliberately made no mention of 3rd runway expenditure in the H8 plan to be put to the Civil Aviation Authority, meaning questions remain about when and how will expansion proposals be developed and paid for if they proceed.

Equally, Heathrow argue that this investment will make expansion more affordable and less disruptive - so does it actually include work that is necessary for a 3rd runway? If so should they be stating that clearly rather than try to frontload costs of expansion into the current H8 period?

It is also worth noting that the business plans still require sign off from the CAA, so a significant row could be brewing about who is going to pay for the upgrades.

**Paul McGuinness (Chair, No 3rd Runway Coalition) said:**

***The astonishing detail in Heathrow’s Five Year Plan is that only £2bn is of its £10bn cost will be funded by shareholder equity; so adding a further £8bn of debt to Heathrow’s current £20bn of arrears. Considering that Heathrow was recently valued at just £8.67bn* (2), *that represents a prodigal loan to value debt pile of 322%. And that’s before one even considers Rachel Reeves’ wish for Heathrow expansion, which her government recently price tagged at a further £42bn* (3)*.***

***"Heathrow's business plans shows their determination to grow irrespective of whether or not expansion takes place. The fact that 80% of this investment will be financed through debt reveals a continuation of a strategy to sweat their assets to their limit which brings with it associated risks and higher costs which will no doubt be passed onto passengers."***

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Notes:

1. <https://mediacentre.heathrow.com/pressrelease/detail/23292>

2) When Ferrovial sold 25% stake to Ardian & PIF, in 2024, Heathrow was valued at £9.4bn; and when Ferrovial sold its final 5.25% in March 2025, it was valued it at just £8.67bn.

3) On 30th June, in advance of the NATO summit, the government included Heathrow Expansion as an item in its new 'national security’ budget, valuing Heathrow’s expansion at 42bn. And according to Moneyweek (<https://moneyweek.com/economy/uk-economy/heathrow-airport-third-runway-growth>): "Heathrow has quietly told airlines that the bill for expansion would be between £42 billion and £63 billion, according to industry sources. That makes its privately financed expansion a bigger punt than ever".

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