

YOUR LONDON AIRPORT



To: Deutsche Trustee Company Limited as Borrower Security Trustee and Issuer Security Trustee

From: Gatwick Airport Limited as Borrower

24 November 2016

Dear Sirs

Common Terms Agreement dated 15 February 2011 between, among others, the Issuer, the Obligors and Deutsche Trustee Company Limited (the Borrower Security Trustee) (the Common Terms Agreement)

Capitalised terms not defined in this certificate have the meaning given to them in the Master Definitions Agreement.

1. We refer to the Common Terms Agreement. This is a Compliance Certificate.
2. We confirm that the ratios (together the **Ratios**) are as detailed in the tables below:

| | |
|------------|--|
| ICR TEST | Historical for Relevant Period ended 30 September 2016 |
| Senior ICR | 3.79 |

The Senior ICR for the immediately preceding March Calculation Date has been recalculated and the recalculated Senior ICR is not lower than the Senior ICR which was determined as at the immediately preceding March Calculation Date.

| | |
|------------|--|
| RAR TEST | Historical for Relevant Period ended 30 September 2016 |
| Senior RAR | 0.49 |

The Senior RAR for the immediately preceding March Calculation Date has been recalculated and the recalculated Senior RAR is not higher than the Senior ICR which was determined as at the immediately preceding March Calculation Date.

| Forecast ICR Ratios | Forecast for Relevant Period ending on 31 March 2017 | Forecast for Relevant Period ending on 31 March 2018 | Forecast for Relevant Period ending on 31 March 2019 |
|---------------------|--|--|--|
| Senior ICR | 3.30 | 3.33 | 3.26 |

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| Forecast RAR Ratios | Forecast for Relevant Period ending on 31 March 2017 | Forecast for Relevant Period ending on 31 March 2018 | Forecast for Relevant Period ending on 31 March 2019 |
|---------------------|--|--|--|
| Senior RAR | 0.52 | 0.49 | 0.48 |

3. We confirm that the historical ratios have been calculated using the most recently available financial information required to be provided by the Obligors under Schedule 2 (Covenants) of the Common Terms Agreement and delivered together with this Compliance Certificate.
4. We confirm that all forward-looking financial ratio calculations and projections:
 - (a) have been made on the basis of assumptions made in good faith and arrived at after date and careful consideration;
 - (b) are consistent and updated by reference to the most recently available financial information required to be produced by the Obligors under Schedule 2 (Covenants) of the Common Terms Agreement and delivered together with this Compliance Certificate; and
 - (c) are consistent with the Applicable Accounting Principles (insofar as such Applicable Accounting Principles reasonably apply to such calculations and projections).

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5. We set out below the computation of the following ratios set out in the tables in Paragraph 2 above for your information:

(a) Senior ICR

| | 12 months ended 30 September 2016 £m | Year ending 31 March 2017 £m | Year ending 31 March 2018 £m | Year ending 31 March 2019 £m |
|---|---|---------------------------------------|---------------------------------------|---------------------------------------|
| Net cash inflow from operating activities | 370.3 | 353.3 | 409.3 | 429.5 |
| Add back: one off, non-recurring extraordinary or exceptional items | - | - | - | - |
| Less: UK corporation tax paid | - | (3.6) | (20.7) | (22.5) |
| Less: 2% of RAB | (66.7) | (71.8) | (77.2) | (84.7) |
| Cash flow (A) | 303.6 | 277.9 | 311.4 | 322.3 |
| Interest and equivalent charges paid on Senior Debt ¹ | 81.6 | 84.3 | 93.4 | 98.8 |
| Interest received | (1.5) | - | - | - |
| Total interest (B) | 80.1 | 84.3 | 93.4 | 98.8 |
| Senior ICR (A/B) | 3.79 | 3.30 | 3.33 | 3.26 |

1 'Interest and equivalent charges paid on Senior Debt' comprises all interest paid, including interest paid which is capitalised into the cost of tangible fixed assets. This interest capitalised into the cost of tangible fixed assets is included within 'purchase of tangible fixed assets' in the cash flow statement.

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(b) Senior RAR

| | As at 30 September 2016 £m | As at 31 March 2017 £m | As at 31 March 2018 £m | As at 31 March 2019 £m |
|---|---|---------------------------------|---------------------------------|---------------------------------|
| Class A 6.125 per cent. Bonds | 300.0 | 300.0 | 300.0 | 300.0 |
| Class A 6.5 per cent. Bonds | 300.0 | 300.0 | 300.0 | 300.0 |
| Class A 5.25 per cent. Bonds | 300.0 | 300.0 | 300.0 | 300.0 |
| Class A 5.75 per cent. Bonds | 300.0 | 300.0 | 300.0 | 300.0 |
| Class A 4.625 per cent. Bonds | 350.0 | 350.0 | 350.0 | 350.0 |
| Class A 2.625 per cent. Bonds ¹ | - | 300.0 | 300.0 | 300.0 |
| General Purpose Revolving Credit Facility | 193.0 | 25.2 | 135.8 | 236.9 |
| Accretion on inflation-linked Treasury Transactions | 3.3 | 10.1 | 20.0 | 34.8 |
| Senior Debt ² | 1,746.3 | 1,885.3 | 2,005.8 | 2,121.7 |
| Less: Cash | (5.5) | - | - | - |
| Senior Debt net of cash (X) | 1,740.8 | 1,885.3 | 2,005.8 | 2,121.7 |
| RAB (Y) ³ | 3,524.8 | 3,658.6 | 4,060.4 | 4,406.9 |
| Senior RAR (X/Y) | 0.49 | 0.52 | 0.49 | 0.48 |

1. £300.0 million of Fixed Rate Class A Bonds with a coupon of 2.625% were issued on 7th October 2016
2. For the purposes of preparing the Senior Debt forecast, it has been assumed that restricted payments of £125.0 million are made in each of the years ending 31 March 2017, 2018 and 2019 respectively.
3. RAB is calculated under the Transfer RAB methodology utilising a Relevant Transfer Value of £2,622.4 million as at 1 April 2014 with a relevant multiple of 11.1.

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6. We confirm that:
- (a) no Default or Trigger Event has occurred and is continuing;
 - (b) the Borrower is in compliance with the Hedging Policy;
 - (c) to the best of our knowledge after verification, the statements made in this Compliance Certificate are accurate in all material respects; and
 - (d) the amount of any Restricted Payments made since the date of the delivery of the immediately previous Compliance Certificate is £75 million.

Yours faithfully,



Stewart Wingate
Chief Executive Officer



Nicholas Dunn
Chief Financial Officer

Signing without personal liability for and on behalf of
Gatwick Airport Limited as Borrower