

# ***MEDIA RELEASE***

www.sydneyairport.com



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## **Successful Arrangement of Capital Expenditure Funding**

Sydney Airport is pleased to announce that it has successfully arranged capital for its capex requirements to the end of 2012. Total funding of A\$1,344m has been arranged to repay drawn capex facilities of A\$485m and to fund the next four years growth capex of A\$859m. This funding comprises A\$776m in new bank debt facilities and a shareholder contribution of A\$513m, supplemented by the retention of A\$55m in existing surplus cash.

Although the first maturity date does not occur until September 2009, the successful arrangement of bank debt facilities, largely with existing relationship financiers, and the shareholder contribution reinforce Sydney Airport's strong financial position. Details of Sydney Airport's debt maturity profile are attached.

The refinancing of A\$870m in term facilities, maturing towards the end of 2009, is anticipated to be completed in the first half of next year. Following this, Sydney Airport will have no further debt maturities until late 2011.

Sydney Airport's existing senior secured credit ratings are BBB from Standard & Poor's, Baa2 from Moody's and BBB from Fitch.

The Chief Executive Officer of Sydney Airport, Mr Russell Balding, said "Since privatisation, Sydney Airport has invested over A\$1.2bn to support the substantial growth in traffic and ensure that airport users experience a world class airport. The recently released Sydney Airport Preliminary Draft Master Plan confirms the airport's significant investment plans to accommodate expected future traffic growth. Capital expenditure through 2012 is expected to total A\$859m, including major projects such as the completion of the International Terminal redevelopment and the timely completion of the Runway End Safety Area (RESA) project currently underway."

To provide certainty for the airport's investment plans, Sydney Airport's shareholders have decided to fund near term capital expenditure requirements via a shareholder contribution of A\$513m. In addition it has been agreed that existing surplus cash of approximately A\$55m will be retained by the airport. Sydney Airport's shareholders are Macquarie Airports, Hochtief AirPort, SAI, Ontario Teachers' Pension Plan, MTAA Superannuation, Colonial First State and UniSuper.

Mr Balding said "The shareholders of Sydney Airport have demonstrated their continued commitment to Sydney and its growth prospects. This investment will ensure that Sydney remains Australia's premier gateway and continues to deliver long term growth in passengers and revenues.

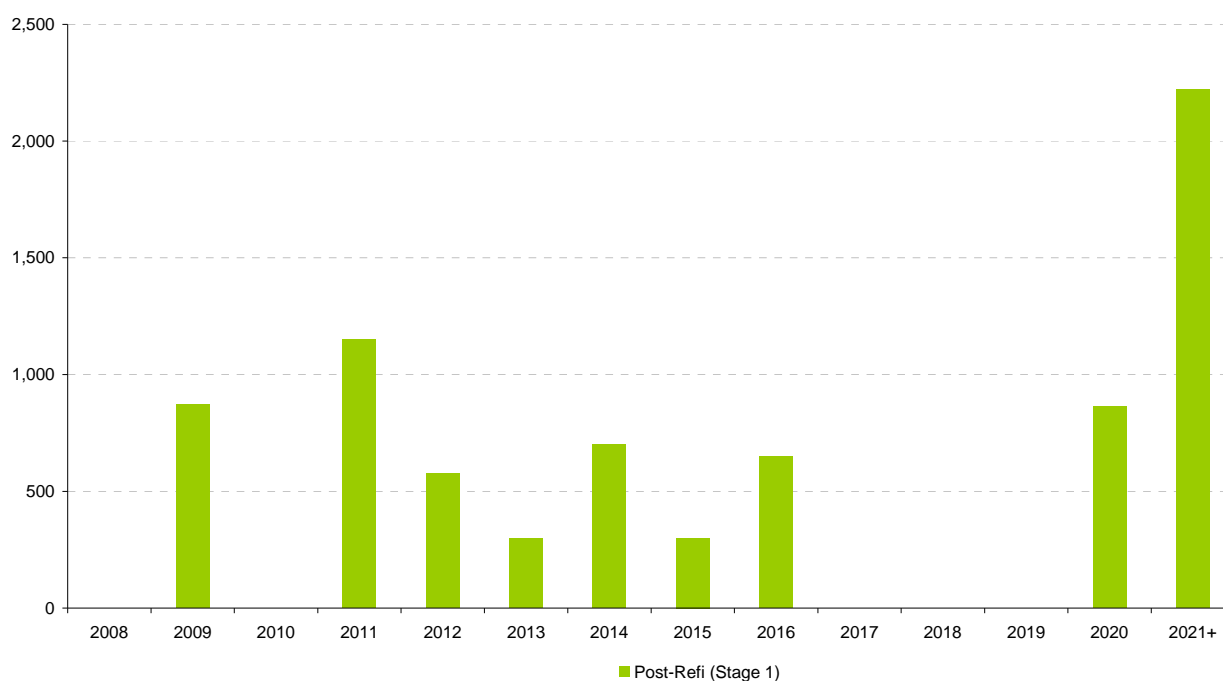
"Sydney Airport appreciates the continuing support of its Senior Bank Lenders in successfully reaching close on phase one of the refinancing on acceptable terms well in advance of the first maturity date. Among the lenders participating in the phase one facilities are ABN AMRO, BNP Paribas, Calyon, Commonwealth Bank of Australia and Natixis.

"Strong support for and the successful close of phase one of the refinancing, largely from existing relationship financiers, positions Sydney Airport well as it considers the range of funding options available for the phase two term facilities."

Sources and Uses of Funds			
Source	Amount	Purpose	Amount
Phase one bank debt (completed)	A\$776m	Drawn capex facilities	A\$485m
Retained surplus cash	A\$55m	Maturing term debt facilities <sup>1</sup>	A\$870m
Shareholder contribution	A\$513m	Capital expenditure through 2012	A\$859m
Phase two funding <sup>1</sup> (rollover of term debt)	A\$870m		
<b>Total</b>	<b>A\$2,214m</b>	<b>Total</b>	<b>A\$2,214m</b>

<sup>1</sup> A\$450m matures in September 2009 and A\$420m in November 2009

### Sydney Airport Debt Maturity Profile A\$M (Assuming Full Drawdown of Newly Arranged Capex Facilities)



Note: First maturity date is September 2009, excludes undrawn working capital and liquidity facilities.

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