

FOR IMMEDIATE RELEASE

10 July 2006

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, IN OR INTO CANADA

RECOMMENDED FINAL OFFERS*

by

AIRPORT DEVELOPMENT AND INVESTMENT LIMITED

a company held by

**A CONSORTIUM FORMED AT THE DIRECTION OF FERROVIAL
INFRAESTRUCTURAS, S.A., CAISSE DE DÉPÔT ET PLACEMENT DU QUÉBEC
AND GIC SPECIAL INVESTMENTS PTE LTD**

for

BAA PLC

**DELISTING OF THE BAA SHARES AND BAA CONVERTIBLE BONDS
AND TERMINATION OF DIVIDEND REINVESTMENT PLAN**

The boards of Airport Development and Investment Limited ("ADI") and BAA plc ("BAA") announce that an explanatory letter, a circular (the "Delisting Circular") and an Additional Revised Form of Acceptance have been posted today, 10 July 2006, to BAA Shareholders and the Delisting Circular has been made available to BAA Convertible Bondholders.

Subject to applicable regulatory requirements, as ADI has acquired or agreed to acquire issued share capital carrying 75 per cent. or more of the voting rights of BAA, it is now the intention of ADI and BAA to make the following applications:

- (a) to the FSA for the cancellation at BAA's request of the listing of the BAA Shares on the Official List and to the London Stock Exchange for the cancellation of the admission of the BAA Shares to trading on the London Stock Exchange's market for listed equity securities;
- (b) to the FSA for the cancellation at BAA's request of the listing of the 2008 Convertible Bonds on the Official List and to the London Stock Exchange for the cancellation of the admission of the 2008 Convertible Bonds to trading on the London Stock Exchange's market for listed debt; and
- (c) to the FSA for the cancellation at BAA's request of the listing of the 2009 Convertible Bonds on the Official List and to the London Stock Exchange for the cancellation of the admission of the 2009 Convertible Bonds to trading on the London Stock Exchange's market for listed debt.

The attention of BAA Convertible Bondholders is drawn to the notice to be published on or around 11 July 2006 in the UK edition of the Financial Times.

A notice period of not less than 20 business days prior to cancellation will commence 11 July 2006, being the day after the date of the Delisting Circular. As such, it is anticipated that the cancellation of the listing and admission to trading of the BAA Shares and BAA Convertible Bonds will each take effect on or shortly after 15 August 2006.

The delisting of the BAA Shares and BAA Convertible Bonds will significantly reduce the liquidity and marketability of any such BAA Shares or BAA Convertible Bonds not assented to the Recommended Final Offers*.

Dividend Reinvestment Plan Termination

Following the takeover of BAA by ADI, the Dividend Reinvestment Plan (the "DRIP") has been terminated in line with the Terms and Conditions of the DRIP. The dividend due to be paid on 11 August will therefore be paid in cash to DRIP participants, rather than in additional BAA Shares, either by cheque or direct to their bank accounts if a bank mandate is in place. Any residue due to DRIP participants will also be paid to them with their cash dividend.

Further acceptances

If you have not already accepted the relevant Recommended Final Offer* in relation to your BAA Shares or BAA Convertible Bonds (as appropriate), we urge you to do so as soon as possible in accordance with the terms of the Revised Offer Document.

Additional Revised Forms of Acceptance in relation to the Ordinary Recommended Final Offer* are available from Computershare at Computershare Investor Services PLC, PO Box 858, The Pavilions, Bridgwater Road, Bristol BS99 5WE.

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Unless otherwise defined in this announcement, capitalised words and phrases used in this announcement shall have the meaning given to them in either the offer document published in relation to the Recommended Final Offers*, dated 12 June 2006 or, to the extent that any term used in this announcement is not defined in that document, the Delisting Circular.

Citigroup Global Markets Limited is acting for ADI, Ferrovial Infra, CDP and GIC SI Investor and no one else in connection with the Recommended Final Offers* and matters described in this announcement, and will not be responsible to anyone other than ADI, Ferrovial Infra, CDP and GIC SI Investor for providing the protections afforded to clients of Citigroup Global Markets Limited or for providing advice in relation to the Recommended Final Offers* and matters described in this announcement.

Macquarie Bank Limited is acting for ADI and no one else in connection with the Recommended Final Offers* and matters described in this announcement, and will not be responsible to anyone other than ADI for providing the protections afforded to clients of Macquarie Bank Limited or for providing advice in relation to the Recommended Final Offers* and matters described in this announcement.

HSBC Bank plc is acting for CDP and no one else in connection with the Recommended Final Offers* and matters described in this announcement, and will not be responsible to anyone other than CDP for providing the protections afforded to clients of HSBC Bank plc or for providing advice in relation to the Recommended Final Offers* and matters described in this announcement.

This announcement does not constitute or form part of any offer or invitation to sell or purchase any securities or solicitation of an offer to buy any securities pursuant to the Recommended Final Offers* or otherwise. The Recommended Final Offers* are made solely by the Revised Offer Documentation which contains the full terms and conditions of the Recommended Final Offers*, including details of how the Recommended Final Offers* may be accepted.

Unless otherwise determined by ADI, the Recommended Final Offers* are not being, and will not be, made, directly or indirectly, in or into or by the use of the mails of, or by any other means (including, without limitation, electronic mail, facsimile transmission, telex, telephone, internet or other forms of electronic communication) of interstate or foreign commerce of, or any facility of a national securities exchange of Canada or any jurisdiction where to do so would violate the laws of that jurisdiction and will not be capable of acceptance by any such use, means or facility or from within Canada or any such jurisdiction. Accordingly, unless otherwise determined by ADI, copies of this announcement are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from Canada or any such jurisdiction and persons receiving this announcement (including, without limitation, custodians, nominees and trustees) must not mail or otherwise distribute or send it in, into or from such jurisdiction, as doing so may invalidate any purported acceptance of the Recommended Final Offers*. Any person (including, without limitation, any custodian, nominee and trustee) who would, or otherwise intends to, or who may have

a contractual or legal obligation to, forward this announcement and/or the Revised Offer Documentation and/or any other related document to any jurisdiction outside the United Kingdom and the United States should inform themselves of, and observe, any applicable legal or regulatory requirements of their jurisdiction.

The Loan Notes that will be issued pursuant to the Loan Note Alternative will not be transferable and will not be listed on any stock exchange and, unless otherwise determined by ADI, have not been, and will not be, registered under the US Securities Act or under the securities laws of any jurisdiction of the United States nor have the relevant clearances been, nor will they be, nor have any steps been taken, nor will any steps be taken, to enable the Loan Notes to be offered in compliance with applicable securities laws of Canada, Australia or Japan (or any province or territory thereof, if applicable) or any other jurisdiction if to do so would constitute a violation of the relevant laws in such jurisdiction. Accordingly, unless otherwise determined by ADI and the relevant clearances are obtained or steps are taken, the Loan Notes may not be offered, sold, resold or delivered, directly or indirectly, in, into or from the United States (or to US Persons, as defined in Rule 902 of Regulation S under the US Securities Act), Canada, Australia or Japan (or to any residents thereof) or any other jurisdiction (or to residents in that jurisdiction) if to do so would constitute a violation of the relevant laws in such jurisdiction. Neither the US Securities and Exchange Commission (“the SEC”) nor any US state securities commission has approved or disapproved of the Loan Notes, or determined if this announcement is accurate or complete. Any representation to the contrary is a criminal offence.

US holders of BAA Shares and/or BAA Convertible Bonds should be aware that (i) the Recommended Final Offers* are for the securities of a corporation organised under the laws of England and are subject to the procedure and disclosure requirements of England, including with respect to financial reporting, withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under US domestic tender offer procedures and law; (ii) ADI and BAA are located outside of the United States, some or all of their officers and directors may be resident outside of the United States and, accordingly, it may not be possible to sue such entities, their officers or directors in a non-US court for violations of the US securities laws, and it may be difficult to compel them to subject themselves to a US court’s judgment; (iii) ADI and its members or their respective nominees, or brokers (acting as agents) may from time to time make certain purchases of, or arrangements to purchase, BAA securities other than pursuant to the Recommended Final Offers*, such as in open market or privately negotiated purchases outside the United States during the period in which the Recommended Final Offers* remain open for acceptance; and (iv) Citigroup Global Markets Limited will continue to act as an exempt market maker in BAA securities on the London Stock Exchange.

Information about such purchases will be disclosed as required in the UK and will be available from the Regulatory News Service on the London Stock Exchange website, www.londonstockexchange.com. This information will also be publicly disclosed in the United States to the extent that such information is made public in the United Kingdom.

*** ADI reserves the right to increase, extend or otherwise amend the Recommended Final Offers* (or any part thereof) (i) with the recommendation of**

the BAA Board; or (ii) if a firm intention to make a competing offer for BAA is announced; or (iii) with the consent of the Panel; or (iv) if BAA issues an announcement of the kind referred to in Rule 31.9 of the City Code.