

Beat: Miscellaneous

China buys 10 percent stake in London's Heathrow airport

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USPA News - China Investment Corporation (CIC), the Chinese government's main sovereign wealth fund, on Thursday announced its subsidiary has bought a 10 percent stake in the firm that owns London's Heathrow Airport for approximately 450 million pounds (\$727 million). Ferrovial, the Spanish company that currently owns 49.99 percent of Heathrow Airport Holdings, said it would sell a 5.72 percent stake to CIC's Stable Investment Corporation for approximately 257.4 million pounds (\$416 million).

The remaining 4.28 percent comes from other shareholders of FGP Topco, the holding company which owns Heathrow Airport Holdings. The British company, which was previously known as BAA Ltd., owns London's Heathrow Airport and a number of other UK airports such as Stansted, Southampton, Glasgow and Aberdeen. CIC was created in 2007 to invest some of China's vast foreign reserves in the hopes of earning a higher return. "This sale of a stake in Heathrow Airport Holdings Ltd. is a further part of Ferrovial's investment diversification strategy," said Ferrovial CEO Álvaro Meirás. "Following this deal, we reiterate our role in Heathrow Airport Holdings Ltd. as the industrial partner. As previously stated, we will continue to work with the new shareholders and with existing shareholders to ensure that Heathrow Airport Holdings Ltd. retains its position as one of the best infrastructure assets in the world." In the first six months of 2012, airports of Heathrow Airport Holdings handled approximately 47.4 million passengers. It is not the first time a foreign firm has bought a stake in Heathrow Airport Holdings. In August 2011, Qatar's sovereign wealth fund announced it had bought a 20 percent stake in the airport operator. The deal is currently pending approval by European competition regulators.

Article online:

<https://www.uspa24.com/bericht-160/china-buys-10-percent-stake-in-londons-heathrow-airport.html>

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