BENOY

Heathrow Airport Limited

Commercial Benchmarking Project 2026

INTERIM REPORT – PHASE 3

Prepared for

Heathrow Airport Limited

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GLOSSARY

Abbreviation	Definition
ATV	Average transaction value
bn	Billion
CAA	Civil Aviation Authority
CAGR	Compound annual growth rate
CTN	Confectionery, tobacco and news / travel essentials
Depax	Departing passengers
F&B	Food & beverage
FX	Foreign exchange
GDP	Gross domestic product
GOAD	Experian's retail database of UK commercial space
H8	CAA review of regulatory arrangements
HAL	Heathrow Airport Ltd
HEX	Heathrow Express
HS1	High Speed One
IPTP	Income per total passenger
KPI	Key performance indicator

Abbreviation	Definition
LHR	London Heathrow Airport
m	Million
MAG	Manchester Airport Group
MPPA	Million total passenger per annum
O&D	Origin & destination passengers
ONS	Office of National Statistics
Pax	Passenger
Q7	Current CAA regulatory period
SPTP	Sales per total passengers
SPDP	Sales per departing passenger
SWOT	Strengths, Weaknesses, Opportunities and Threats
Topax	Total passengers
WDF	World Duty Free
YTD	Year to date
FY	Financial Year
CY	Calendar Year

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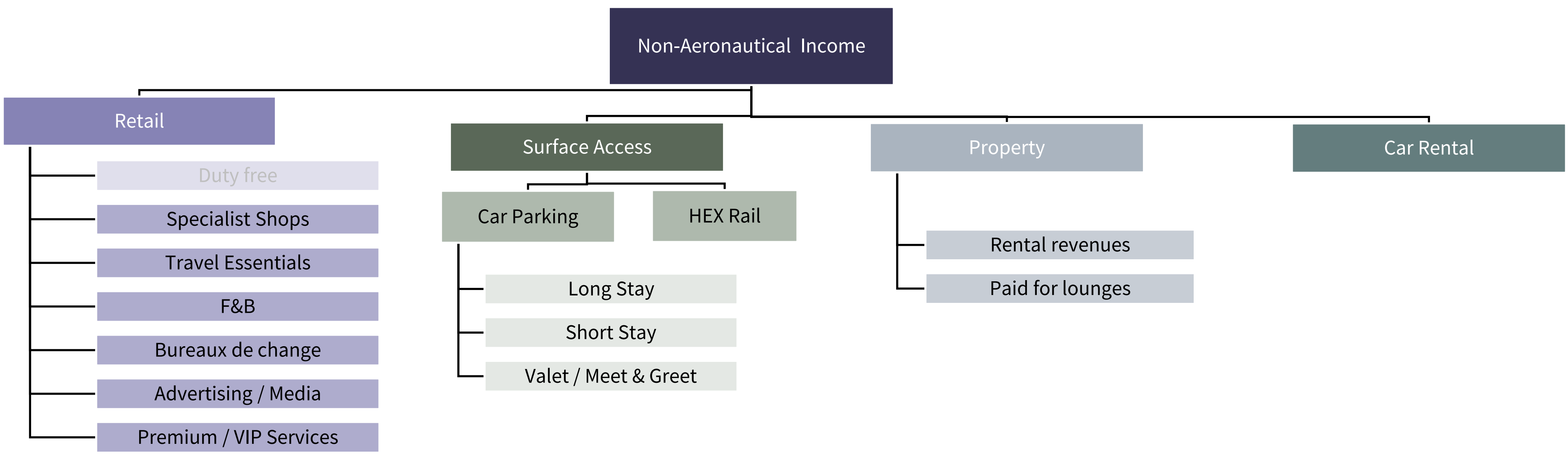
Background

- Heathrow Airport Limited (HAL) is currently in the process of developing its business plan for its next regulatory period ‘H8’, with the new period starting in 2027. As part of this business plan, they are seeking to review how well their non-aeronautical income and particularly the retail income, has been performing over the last 5 years, benchmarked versus other commercial environments. As well as understanding retail and other commercial trends to inform their forecasting
- A similar exercise was commissioned in 2024. The purpose of this study is to update the previous study with latest Heathrow financial and latest data that has been released by airports used in the previous study.



Source: Benoy

The scope of work is structured to utilise various data sources combined with Benoy's industry expertise and experience to deliver a focussed programme of analysis, performance benchmarking, and relevant strategic commercial insight

SCOPE AND METHODOLOGY

Benoy's scope addressed the following areas:

1. Summary of Heathrow current passenger and commercial offer
2. Benchmarking: Heathrow performance vs. comparable airports
3. Review of wider commercial environment

To cover the scope, Benoy used the following methodologies and data sources

Publicly available information:	Data analysis	Benoy specific data	In-depth interviews

• Annual reports of key peer group airports and non-airport assets and brands including those released in 2026 at time of report creation
• Market report publications
• Government / statistical macro information
	• Heathrow trading data comparisons 2018 vs 2025
	• Heathrow Profiler data up to 2025
	• CAGR's calculated from 2013 – 2025 (where available)
	• Growth rates calculated from 2019 – 2025
	• Benchmark data review from 2019, 2024, and 2025 (where available)
		• Benoy Pulse Global Consumer Survey
		• Benoy white papers and thought leadership on consumer, retail, F&B, travel
		• Legacy experience of working on over 95 airports in over 45 countries, as well as downtown retail and high-street assets
			Wider expert interviews:
			• 10 interviews in total
			  • 03 interviews with airport operators
			  • 03 interviews with airport and travel retail operators
			  • 04 interviews with wider retail market asset managers and brands

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Analysis of the CAA data was split into five core categories, whilst the subsequent analysis of Heathrow's performance data is undertaken in relation to three core categories of retail, surface access, and property, which are broken down into further sub-categories

HAL CORE CATEGORY SUMMARY | CAA AND HEATHROW PERFORMANCE CATEGORIES

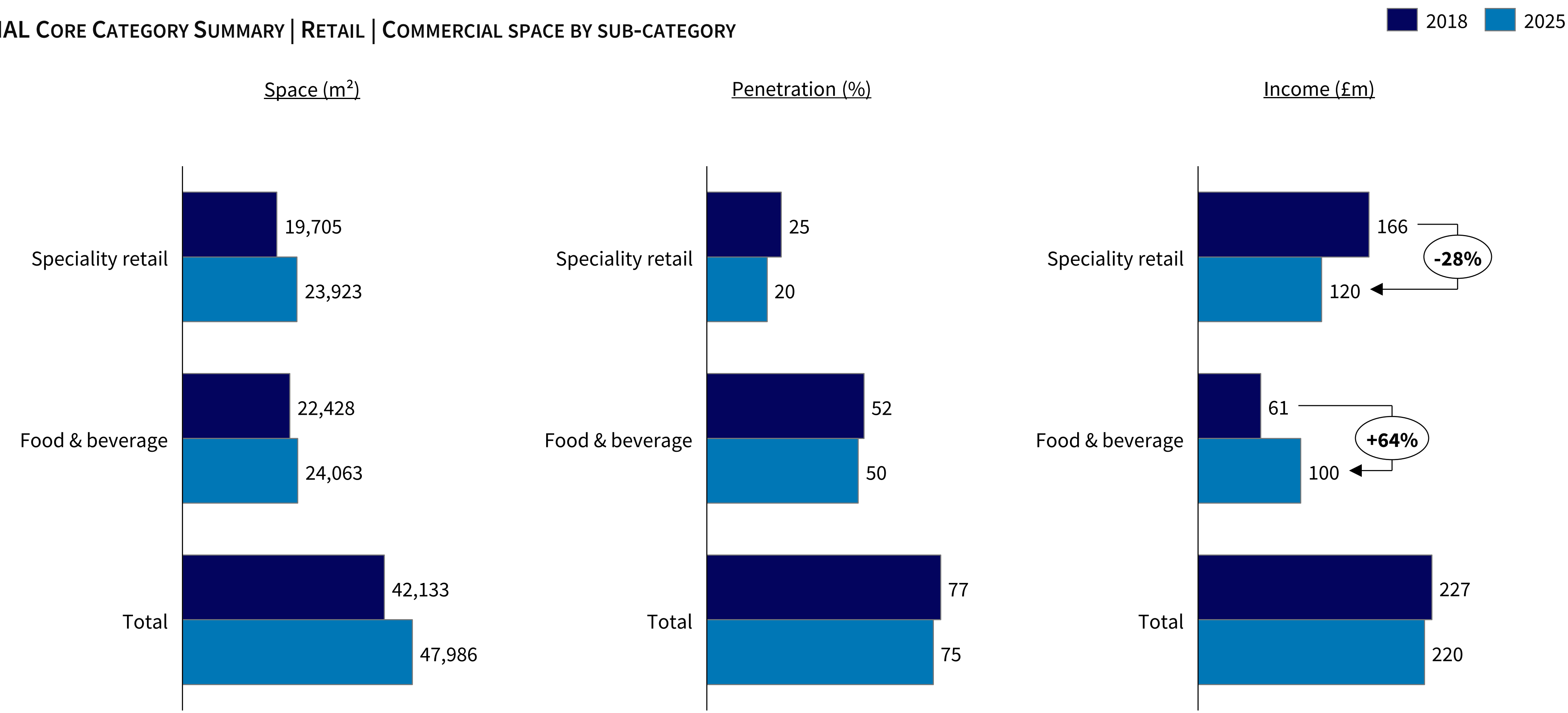
CAA category	Definition
Retail	Includes duty free, luxury, specialist shops, pharmacy, F&B, advertising and other retail
Surface access	Includes car parking and car rental
Property	Includes rental revenue and lounge revenue
Rail	Includes HEX and Picadilly Line
Services	Includes bureau and VIP and fast track

Heathrow performance category	Heathrow performance sub-category	Definition
Retail	Duty free	
	Speciality retail	
	Food & beverage	
	Advertising	
	Services	Includes bureau, VAT refund, vending and VIP/fast track/premium services
Surface access	Hex Rail	
	Car parking	Includes long stay, short stay and valet/meet & greet
Property	Rental revenues	
	Paid for lounges	
Car rental	Car rental only	

Source: H7 forecast;, Benoy analysis

Overall retail space in 2025 has marginally increased from 2018, while penetration has fallen by -2ppts. Whilst speciality retail space has increased, penetration has dropped significantly by -5ppts to 20%, delivering a -28% reduction in income. Marginal F&B space increases resulted in 64% income uplift

HAL CORE CATEGORY SUMMARY | RETAIL | COMMERCIAL SPACE BY SUB-CATEGORY



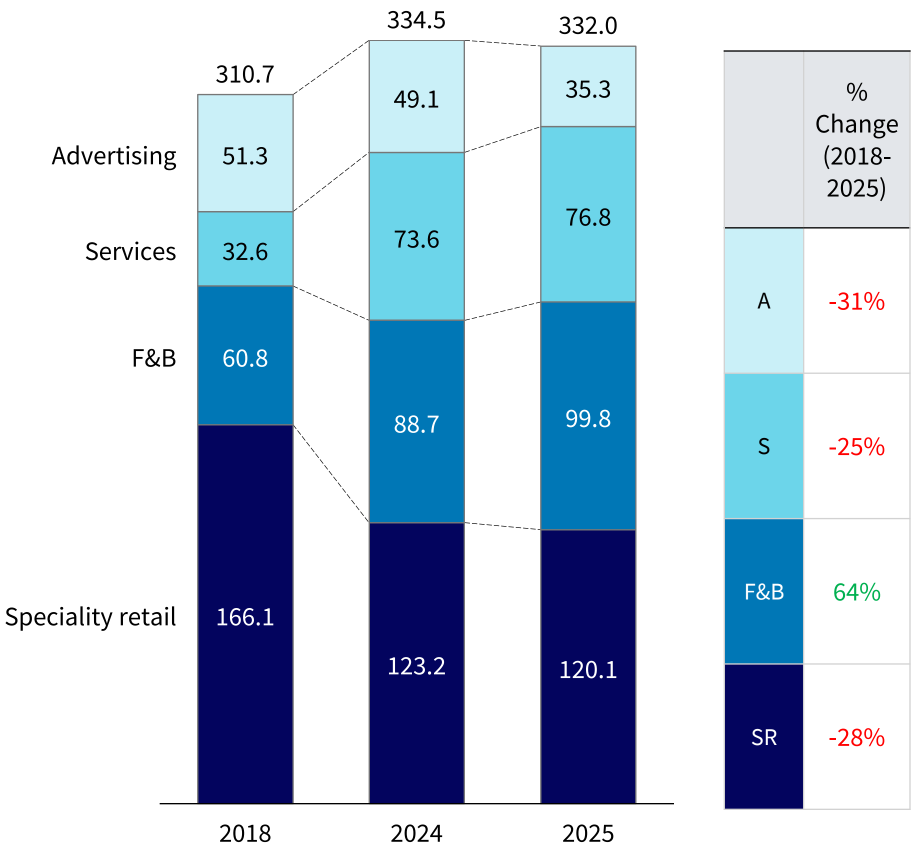
Source: HAL data

Notes: Space figures include non-terminal space

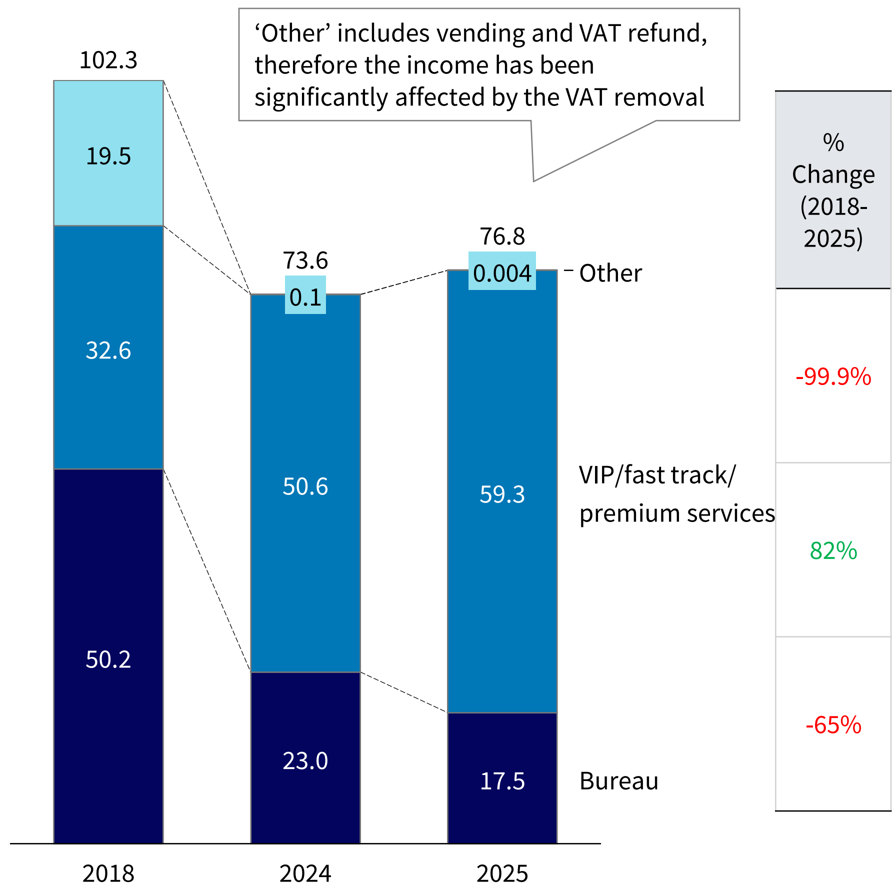
Retail income has decreased in 2025 from 2018 due to a -28% reduction in speciality retail with bureau down by -65%. F&B has seen a growth in income over the period, with an increase of +64% by 2025

HAL Core Category Summary | Retail | Income 2018 vs 2024 and 2025 by category and sub-category

Income 2018 vs 2024 and 2025, by category, £m



Income 2018 vs 2024 and 2025, by services sub-category, £m



Source: HAL data, Benoy analysis

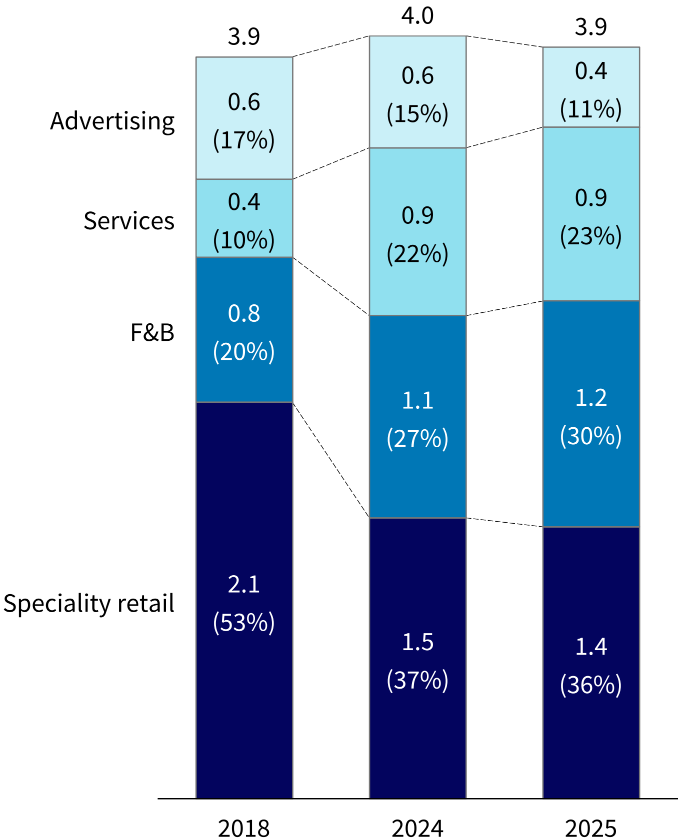
Notes: Services includes bureau, VAT refund, vending and VIP/fast track/premium services.

Heathrow's speciality retail performance has been significantly impacted from 2018 to 2025. Assumed factors influencing this decline include the removal of VAT free shopping, a change in passenger profiles, and spending habits post COVID

HAL CORE CATEGORY SUMMARY | RETAIL | INCOME PER TOTAL PASSENGERS BY CATEGORY AND SUB-CATEGORY

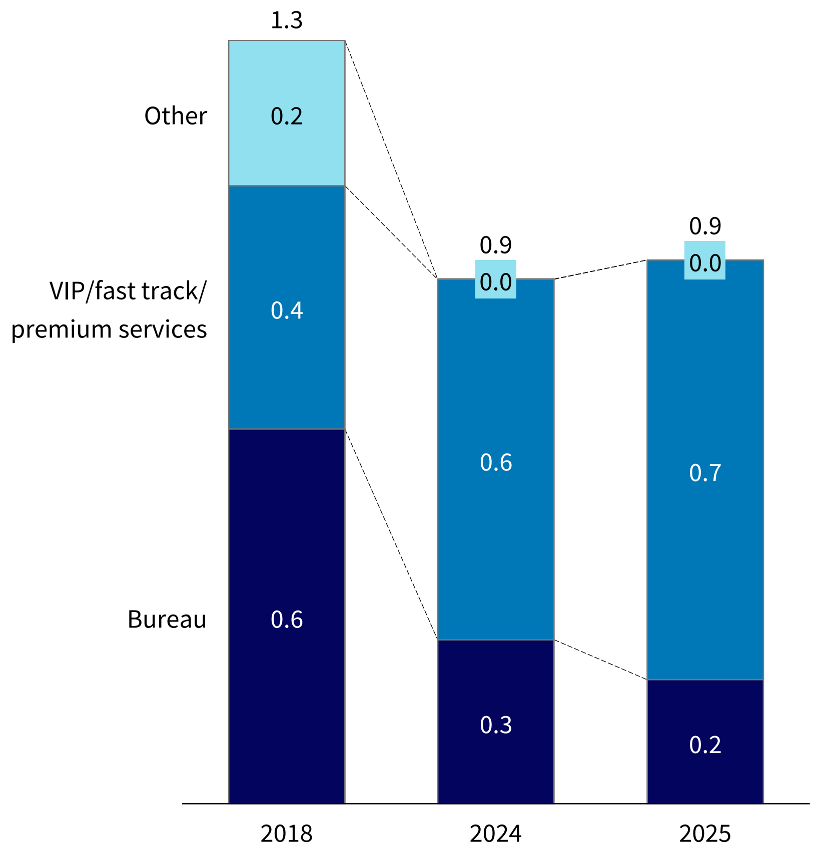
Income per total passengers 2018 vs 2024 and 2025, by category, £m

F&B is the only category to have achieved an increase in IPTP, with its proportional contribution increasing to 20% but it has the lowest income density (income per m²).



	% Change IPTP (2018-2025)	2025 income density (£/m²)
A	-35%	-
S	-29%	35,540*
F&B	56%	4,147
SR	-31%	4,932

Income per total passengers 2018 vs 2024 and 2025, by services sub-category, £m



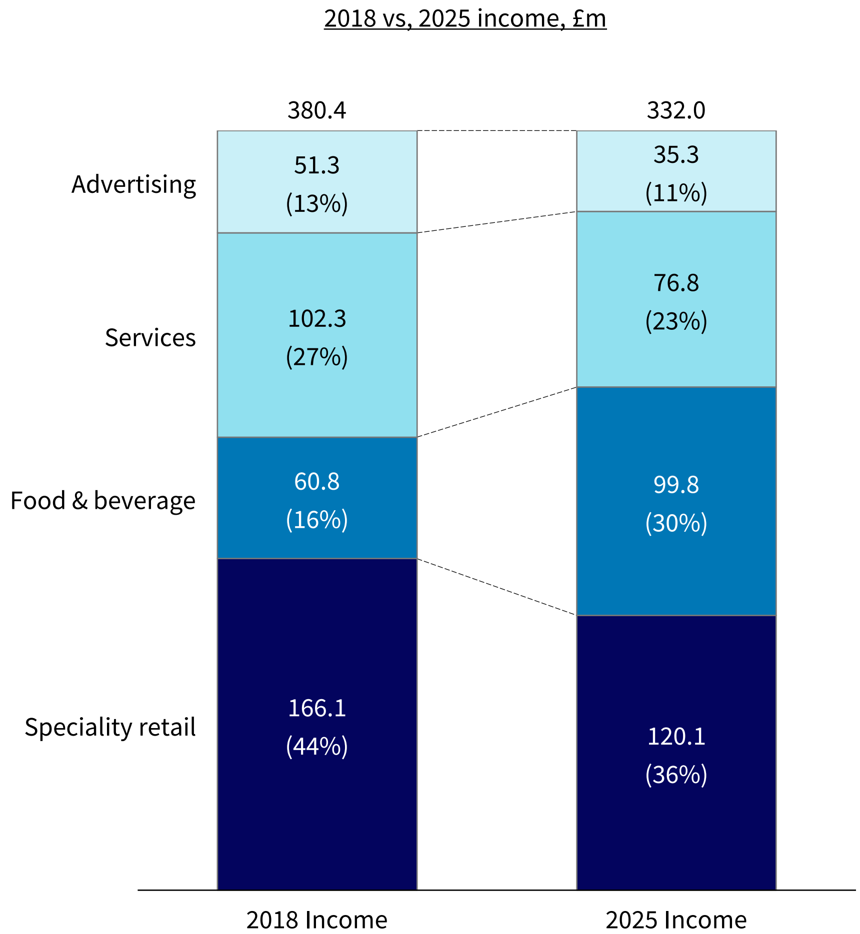
% Change (2018-2025)	2025 income density (£/m²)
-99.9%	-
73%	-
-67%	16,855

Source: HAL data; Benoy analysis

*Notes: Services income per passenger includes bureau, VAT refund, vending and VIP/fast track/premium services. *Lack of vending and other services space in sqm*

Overall income at the airport has fallen due to lower absolute sales across all categories barring F&B showing an increase by 14% reaching £99.8m in 2025

HAL CORE CATEGORY SUMMARY | RETAIL | 2018 VS 2025 INCOME BY CATEGORY

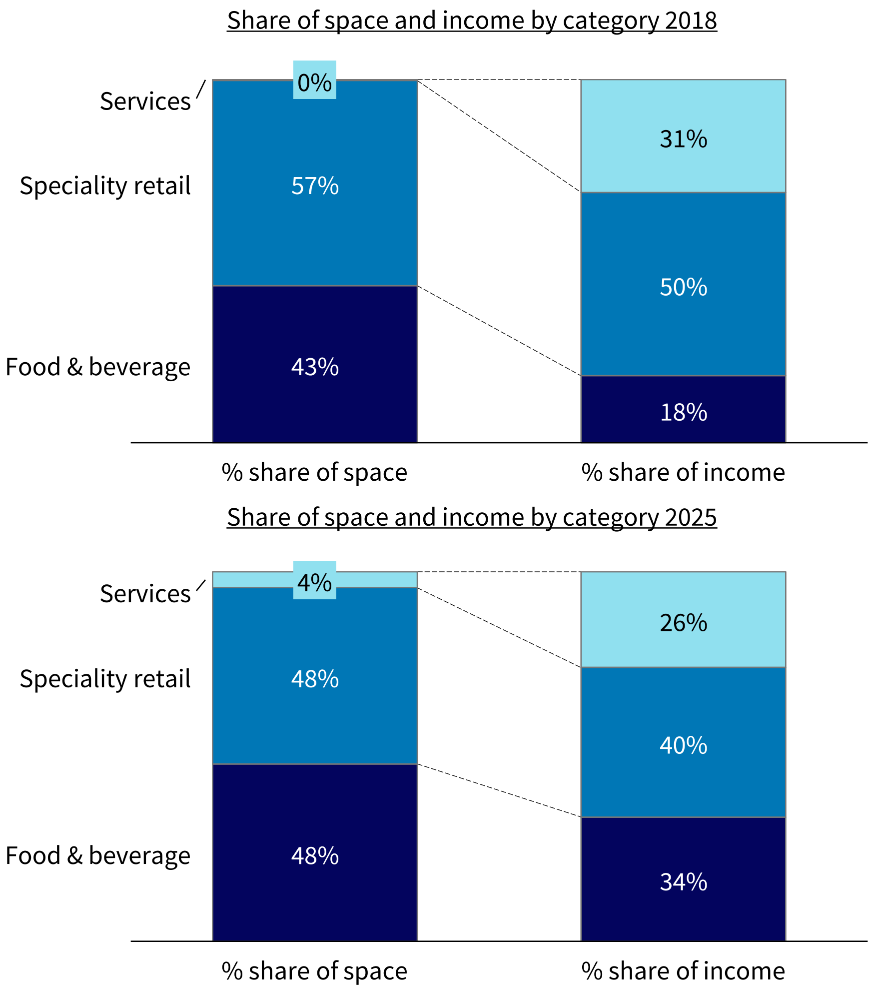


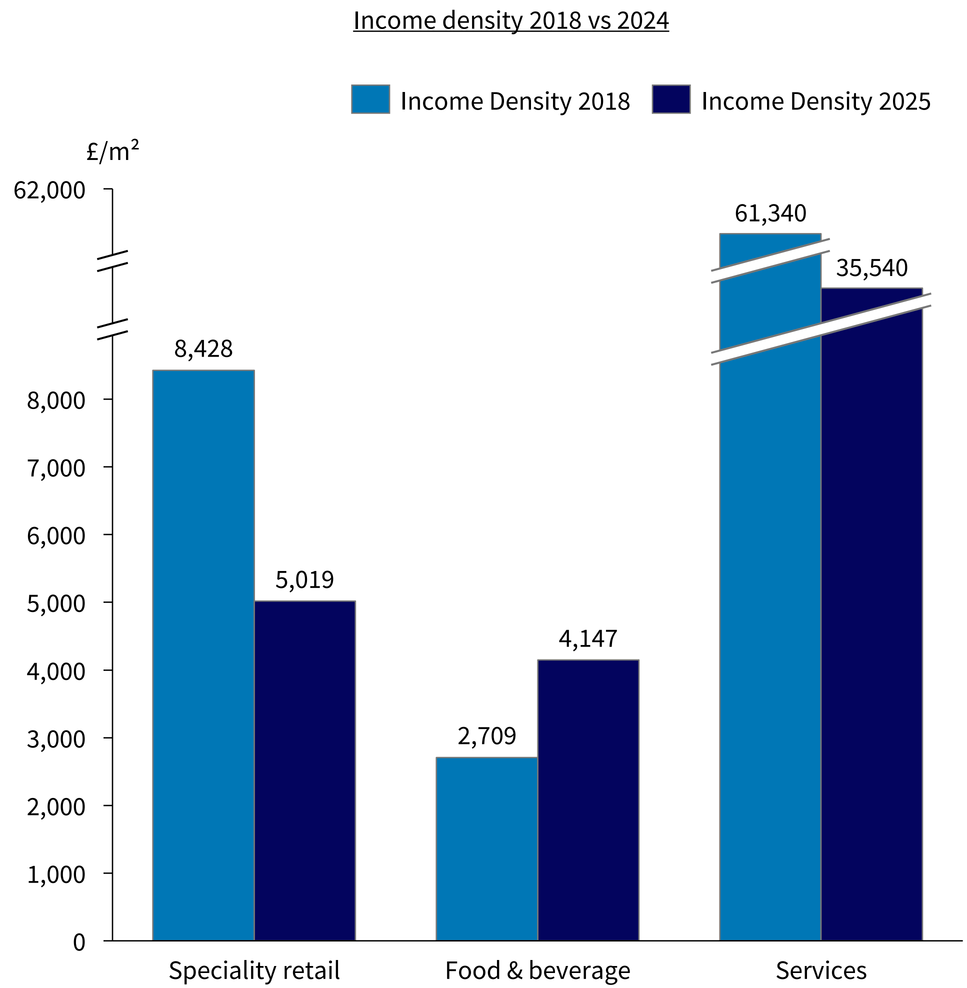
Source: HAL data

Notes: Services includes bureau, VAT refund and vending.

F&B's share of space has risen from 43% to 48% while its share of income has doubled, with space trading at higher density levels and generating more income per sqm for the airport. In contrast, speciality retail has seen a decline in its share of income

HAL Core Category Summary | Retail | Sales Densities by Category



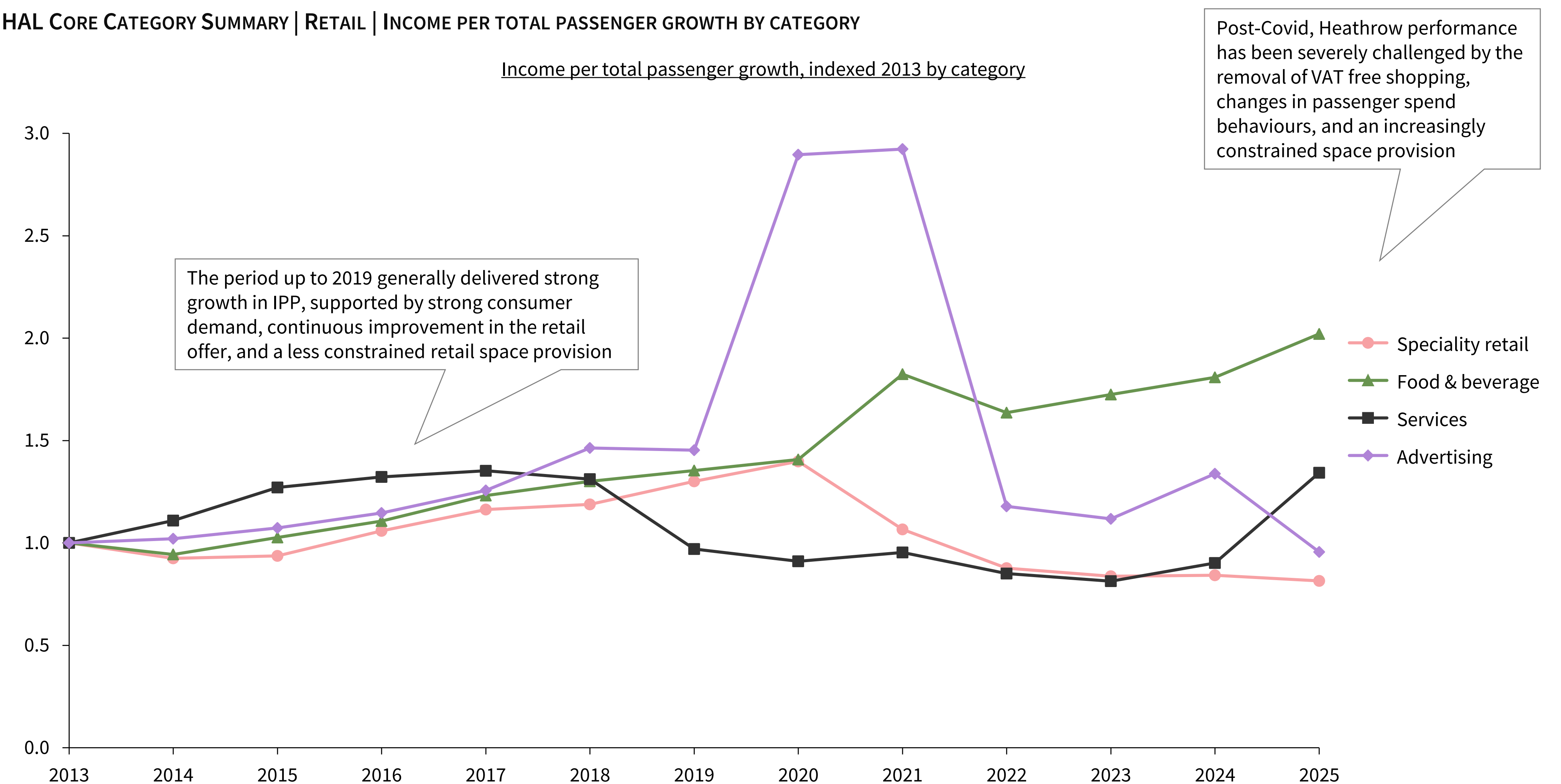


Source: HAL data

Notes: Services includes bureau, VAT refund and vending

The longer-term historic period from 2013 to 2019 delivered stable robust growth in income per passenger across all categories. Since 2019 however, there has been significant volatility, and all categories apart from F&B and services, have seen a reduction in performance in 2025 compared to 2019, particularly speciality retail

HAL CORE CATEGORY SUMMARY | RETAIL | INCOME PER TOTAL PASSENGER GROWTH BY CATEGORY

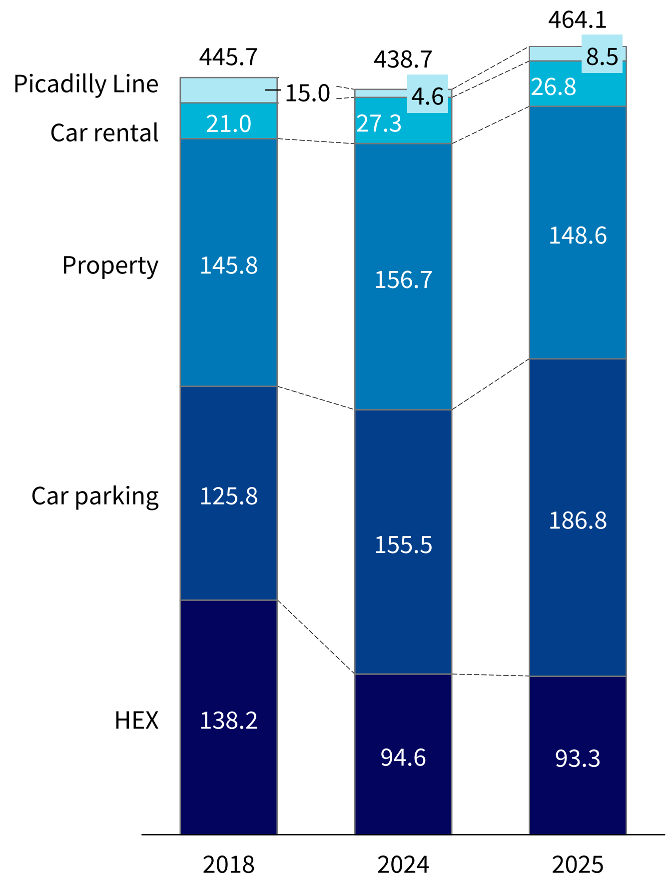


Source: HAL data; Benoy analysis

Surface access income has increased since 2018, driven by a 27% rise in car parking income, particularly short-term parking (+37%). Business and mid-stay parking declined sharply (-61%), likely reflecting reduced post-COVID business travel. Car rental income increased by 49%, while property income grew more modestly.

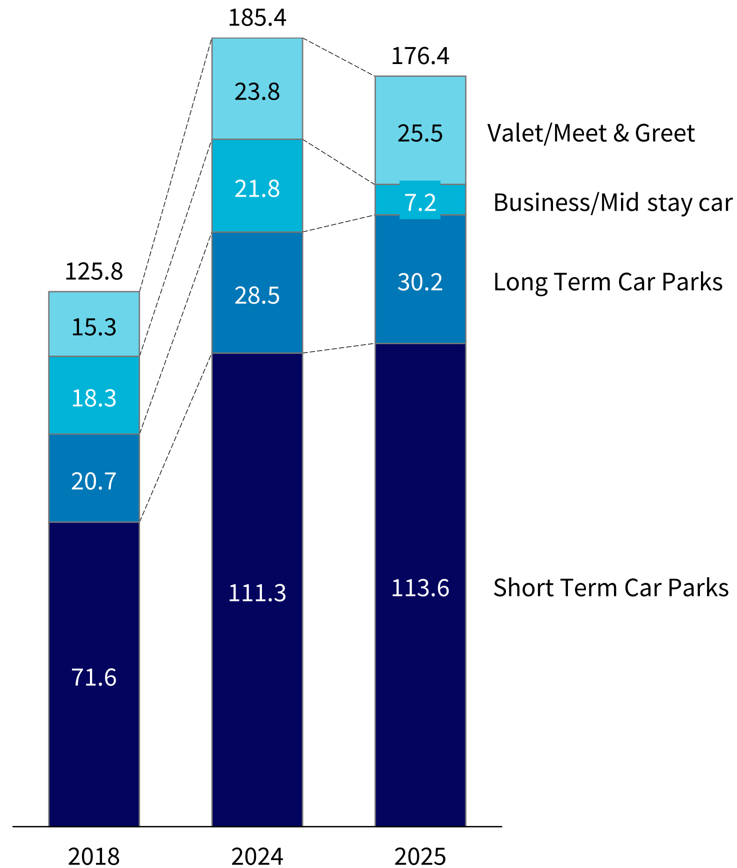
HAL Core Category Summary | Surface access, property and car rental | Income | Category

Income 2018 vs 2024 and 20245 by category, £m



	% Change (2018-2025)
PL	-43%
CR	49%
P	2%
CP	27%
H	-32%

Income 2018 vs 2024 and 2025, by car parking sub-category, £m



	% Change (2018-2024)
V	67%
B/M	-61%
LT	46%
ST	59%

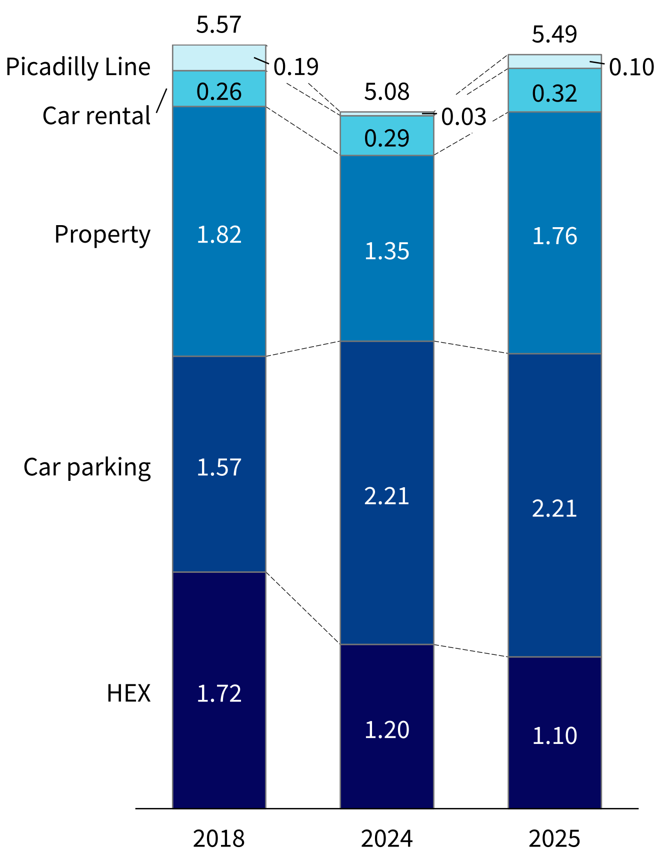
Source: HAL data; Benoy analysis

Notes: *Track access charges data for 2018 is May 2018-March 2019, annualised for the full year

Across wider non-aero categories, Piccadilly Line income per passenger fell the most from 2018 to 2025 (-46%), followed by HEX (-36%). In contrast, car parking rose 41% to £2.21 since 2018, driven primarily by short-term parking.

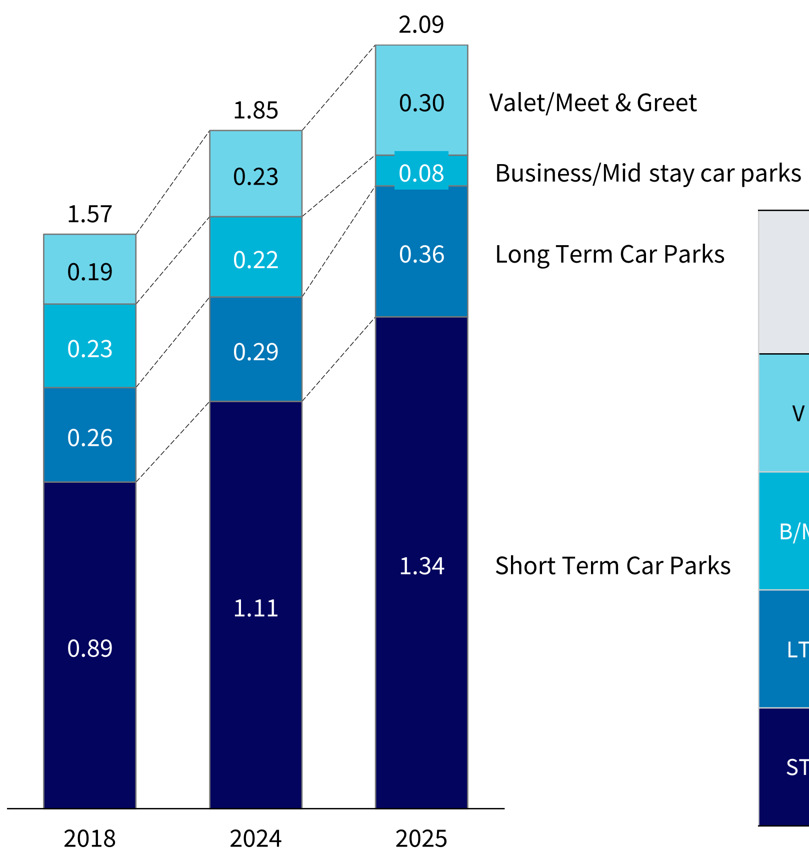
HAL Core Category Summary | Surface access, property and car rental | IPTP | Category

Income per total passenger 2018 vs 2024 and 2025, by category, £m



	% Change (2018-2025)
PL	-46%
CR	21%
P	-3%
CP	41%
H	-36%

Income per total passenger 2018 vs 2024 and 2025, by car parking sub-category, £m



	% Change (2018-2024)
V	58%
B/M	-63%
LT	39%
ST	51%

Source: HAL data; Benoy analysis

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Public data, sourced from published annual reports across a variety of leading hub and O&D airports in Europe and around the world, has been analysed to benchmark Heathrow's non-aeronautical performance

BENCHMARKING | METHODOLOGY[1]

Airports used in the 2024 study | Data not found post 2023 | Airports that are yet to publish 2026 annual reports

Airport	Region	Pax (2025)	Currency	Reporting period used	Category benchmark set		
					Commercial	Property	Car parking
Heathrow	Europe	85m	GBP	2013-25	✓	✓	✓
Aena (group, inc. Madrid)	Europe	385m	EUR	2013-25	✓	✓	✓
ADP (group, inc. Paris CDG)	Europe	379m	EUR	2013-25	✓	✓	✓
Athens	Europe	34m	EUR	2013-25	✓		✓
Beijing	Asia-Pacific	71m	RMB	2013-25	✓	✓	✓
Changi[2]	Asia-Pacific	69m	SGD	2013-24			
Copenhagen	Europe	32m	DKK	2013-25	✓	✓	✓
Edinburgh	Europe	17m	GBP	2014-24	✓	✓	
Fraport (group, inc. Frankfurt)	Europe	184m	EUR	2013-25	✓	✓	✓
Gatwick	Europe	43m	GBP	2013-25	✓	✓	✓
Hong Kong	Asia-Pacific	55m	HKD	2013-24	✓	✓	
Kuala Lumpur	Asia-Pacific	120m	MYR	2013-23	✓		
LAX	North America	75m	USD	2013-25	✓	✓	
Manchester Airports Group	Europe	65m	GBP	2013-24	✓	✓	✓
Munich	Europe	42m	EUR	2013-24	✓	✓	✓
Aeroporti di Roma (Rome)[3]	Europe	55m	EUR	2013-25	✓	✓	✓
Amsterdam Schiphol	Europe	78m	EUR	2013-25	✓	✓	✓
Sydney	Asia-Pacific	37m	AUD	2013-23	✓	✓	✓
Tokyo Haneda	Asia-Pacific	91m	JPY	2013-24	✓	✓	
Toronto	North America	47m	CAD	2013-25		✓	
Vancouver	North America	27m	CAD	2013-25	✓	✓	✓
Venice	Europe	11m	EUR	2013-23	✓	✓	✓
Zurich	Europe	33m	CHF	2013-25	✓		✓

Source: Benoy analysis, Company/airport accounts

Notes: 1) Reporting periods used per airport may differ based upon the individual category data available 2) Changi and Kuala Lumpur only provide top-line non-aeronautical revenue information which shown later, and has been included due to their global airport status and comparability to Heathrow 3) Includes Rome Fiumicino and Ciampino

Whilst Heathrow aeronautical and non-aeronautical revenues are regulated under a single till structure, the majority of the global airport benchmarks analysed in this study fall under a dual till system

BENCHMARKING | OWNERSHIP AND REGULATION

Airport	Regulation Structure	Ownership Structure
Heathrow	Single Till	Private (majority owned by Ferrovial and Qatar Investment Authority)
Aena (Group, incl. Madrid)	Dual Till	Public (majority state-owned, with some private investment)
ADP (Group, incl. Paris CdG)	Dual Till	Public (majority state-owned, with private shareholders)
Athens	Dual Till	Public-Private Partnership (PPP)
Beijing	Single Till	Public (state-owned)
Changi	Single Till	Public (owned by the Government of Singapore)
Copenhagen	Dual Till	Public-Private Partnership (PPP)
Edinburgh	Dual Till	Private
Fraport (Group, incl. Frankfurt)	Dual Till	Public-Private Partnership (PPP)
Gatwick	Dual Till	Private
Hong Kong	Single Till	Public (wholly owned by the Government of Hong Kong)
Kuala Lumpur	Single Till	Public (owned by Malaysia Airports Holdings Berhad, a government-linked company)
LAX	Single Till	Public (owned and operated by Los Angeles World Airports, a department of the City of Los Angeles)
Manchester Airports Group	Single Till	Public (majority owned by the 10 metropolitan borough councils of Greater Manchester)
Munich	Dual Till	Public-Private Partnership (PPP)
Aeroporti di Roma (Rome)	Dual Till	Private
Amsterdam Schiphol	Dual Till	Public-Private Partnership (PPP)
Sydney	Dual Till	Private
Tokyo Haneda	Single Till	Public (owned by Japan Airport Terminal Co., Ltd., with government and private shareholders)
Toronto	Single Till	Public (operated by Greater Toronto Airports Authority, a non-profit corporation)
Vancouver	Single Till	Public (operated by Vancouver Airport Authority, a non-profit organization)
Venice	Dual Till	Private
Zurich	Dual Till	Public-Private Partnership (PPP)

Regulation Structures:
•**Single Till:** Both aeronautical and non-aeronautical revenues are considered when setting airport charges
•**Dual Till:** Only aeronautical revenues are considered for setting airport charges, separating them from non-aeronautical revenues

Ownership Structures:
•**Public:** Fully owned by government entities
•**Private:** Fully owned by private investors or corporations
•**Public-Private Partnership (PPP):** Joint ownership between government entities and private investors

Source: Benoy analysis, Company/airport accounts

The airport income benchmarking exercise has been split between 'non-aeronautical' and 'commercial' income in cases where the airport annual reports provide the granular detail, whereby 'non-aeronautical' includes categories including car parking, property, and operational income, which are typically excluded from 'commercial' income

Benchmarking | Income band definitions

Note: it is important to note that there is inconsistency in the way in which different airports report their financial statements and revenue reporting lines. The exact definitions of each non-aeronautical revenue category differs between airports, hence there are inconsistencies when comparing across airports. Also, the majority of airports do not report the revenue lines at a granular level of individual sub-categories, hence the available set of benchmark datapoints decreases, as the reporting lines become more granular.

Airport income benchmarking bands and their definitions

Income band	Definition	Heathrow example categories	Other benchmark example categories
Non-Aeronautical	Income that has been reported from all non-airline sources and these include commercial income, investments, dividends, etc.	Retail, duty free, F&B, 'other retail', 'other services', car parking, and 'other' income including HEX, property, operational facilities and utilities	**Manchester Airports Group:** retail, car parking, property, 'other' **Rome:** retail, advertising, car parking, property, 'other' **Aena:** retail, duty free, F&B, car rental, car parking, VIP services, advertising, property
Commercial	Income that has been reported from commercial including duty free, retail, F&B, advertising, and ancillary services, etc.	Retail, duty free, F&B, 'other services'	**Manchester Airports Group:** retail and 'other' **Rome:** retail, advertising, 'other' **Aena:** retail, duty free, F&B, advertising

Retail	Income that has been reported from retail shops within the terminal airside and landside selling duty-free, travel essentials, fashion, tech, and speciality products
F&B	Income that has been reported from passenger facing airport dining options within the terminal airside and landside
Property	Income that has been reported from leasing and development of terminals, offices, hotels, logistics, and business parks. This also includes non-airline airport lounges leased to third party operators
Car parking	Income that has been reported from airport parking activities including short-term, long-term, valet, premium parking options for passengers

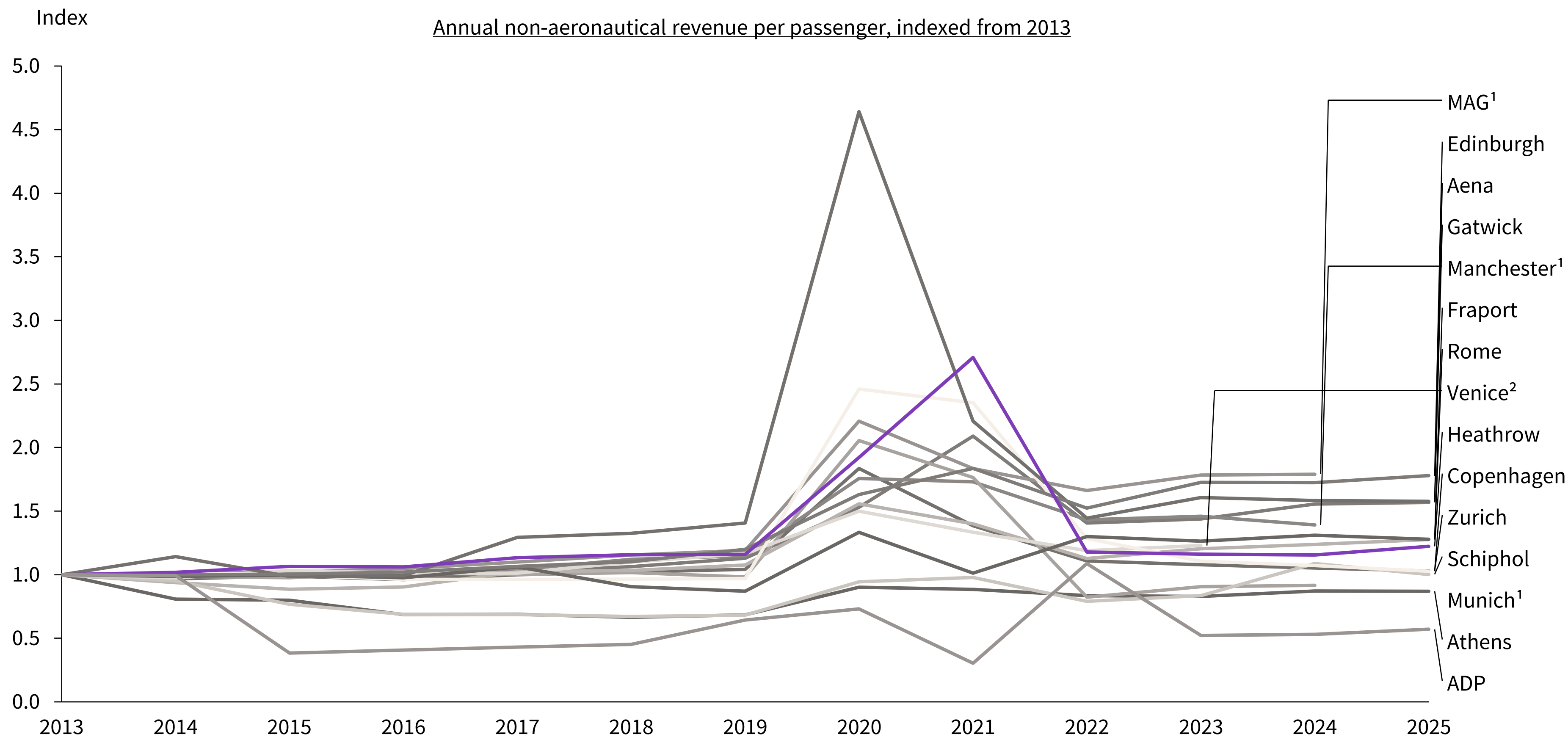
Green represents categories common is both Non-Aeronautical and Commercial
Red represents categories in Non-Aeronautical but not within Commercial

Source: Benoy analysis, Company/airport accounts

Non-aeronautical revenue

From 2013 to 2019, non-aeronautical revenue remained relatively stable for most European airports. Significant volatility, due to Covid lockdowns, effected 2020 and 2021, returning to a more settled position in 2022. Heathrow followed a similar path, returning in 2025 to 1.22, a level similar to 2018, slightly higher than 2019 at 1.16

BENCHMARKING | NON-AERONAUTICAL REVENUE | EUROPEAN AIRPORTS



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Heathrow	1	1.02	1.06	1.06	1.13	1.16	1.16	1.92	2.71	1.18	1.16	1.16	1.22

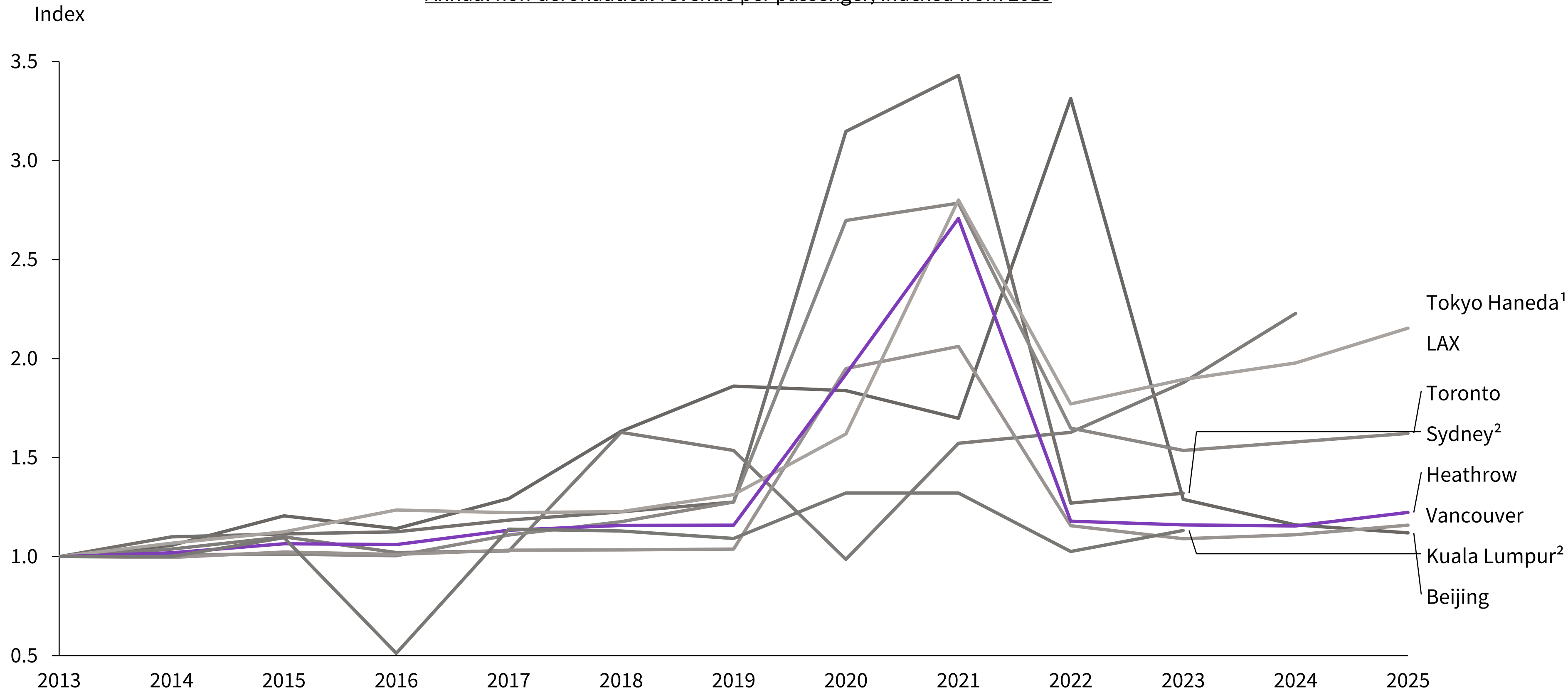
Source: Benoy analysis, Company/airport accounts

Note:1. Munich, MAG and Manchester airports have not published their 2026 annual report yet 2.Venice stopped publishing annual reports after 2023

For airports in Asia-Pacific and North America, non-aeronautical revenue exhibited a similar pattern, with steady growth until 2019, followed by pronounced spikes during the pandemic, with Tokyo Haneda, Beijing, and Sydney showing the highest volatility

BENCHMARKING | NON-AERONAUTICAL REVENUE | ASIA-PACIFIC AND NORTH AMERICA AIRPORTS

Annual non-aeronautical revenue per passenger, indexed from 2013



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Heathrow	1	1.02	1.06	1.06	1.13	1.16	1.16	1.92	2.71	1.18	1.16	1.16	1.22

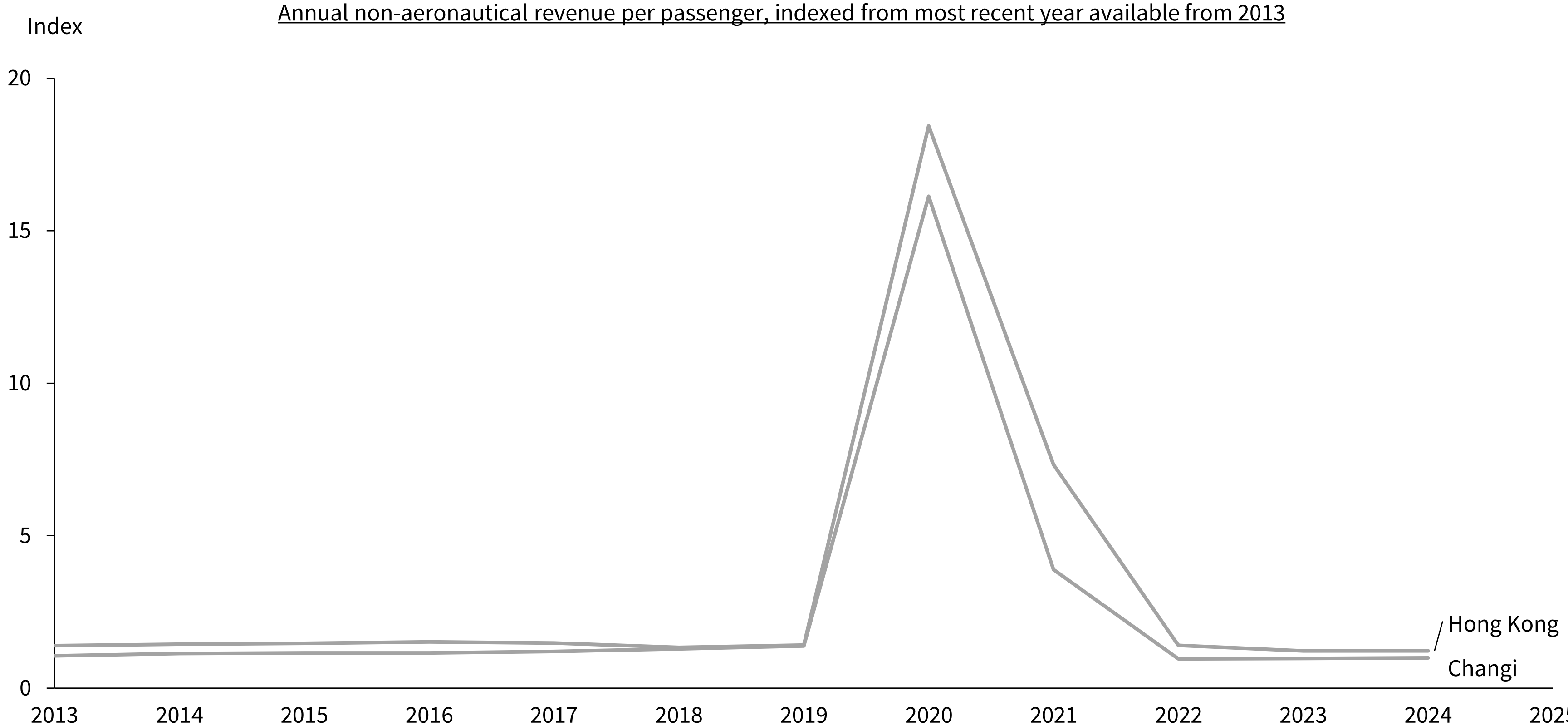
Source: Benoy analysis, Company/airport accounts; Global Airport Retailing 2018-2028 Report

Note: 1.Tokyo Haneda airport has not published its 2026 annual report yet 2. Sydney and Kuala Lumpur airports have stopped publishing annual reports after 2023

Non-aeronautical revenue for Hong Kong and Changi airports shows steady growth until 2019, followed by an unprecedented spike during the pandemic, with a sharp decline in 2020, stabilising at levels by 2024 that are lower than the pre-Covid levels achieved in 2019

BENCHMARKING | NON-AERONAUTICAL REVENUE | ASIA-PACIFIC AND NORTH AMERICA AIRPORTS

Annual non-aeronautical revenue per passenger, indexed from most recent year available from 2013



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Changi	1.06	1.13	1.15	1.16	1.2	1.28	1.39	16.13	3.89	0.96	0.97	0.99	0
Hong Kong	1.39	1.44	1.47	1.51	1.48	1.34	1.42	18.44	7.32	1.41	1.22	1.22	0

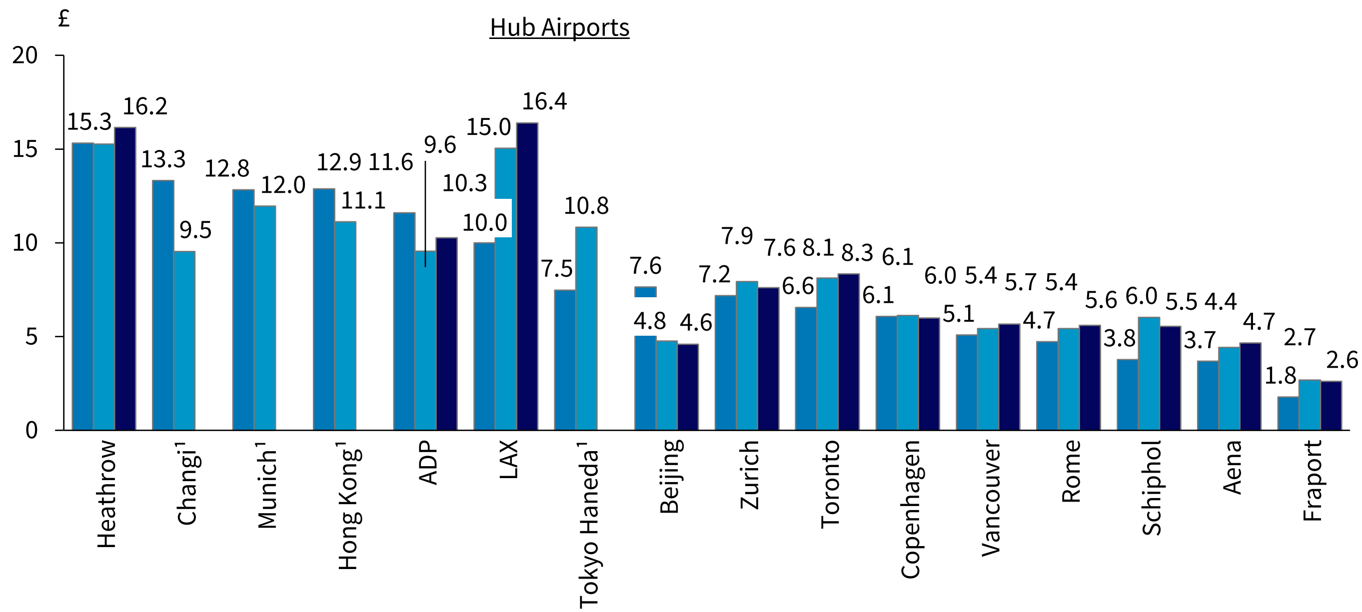
Source: Benoy analysis, Company/airport accounts

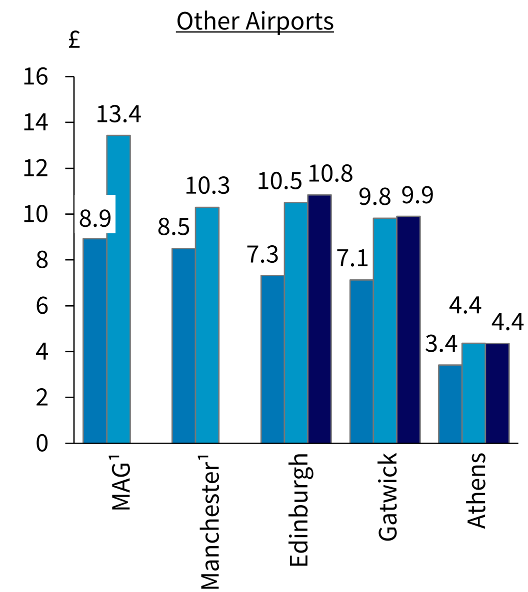
Note: Hong Kong and Changi airport have not published their 2026 annual report yet

Hub airports like LAX & Heathrow lead in non-aeronautical revenue per passenger in 2025, though growth rates vary, with many of the largest hubs experiencing both recent and longer-term decline. Selected regional airports like Manchester and Edinburgh exhibit stronger growth, supported by investment and transformation projects

BENCHMARKING | NON-AERONAUTICAL REVENUE

Annual non-aeronautical revenue per passenger – hub airports vs other airports (2019 vs 2025)





Growth Rate (2019 vs 2025)

5%	-	-	-	-11%	64%	-	-40%	6%	27%	-1%	12%	18%	47%	26%	47%	Median 15%

-	-	48%	39%	27%	Median 39%

CAGR, full period (2013-2025)

2%	-	-	-	-5%	8%	-	1%	0%	5%	0%	1%	2%	0%	6%	2%	Median 1%

-	-	6%	5%	-1%	Median 5%

Source: Company/airport accounts, Benoy analysis

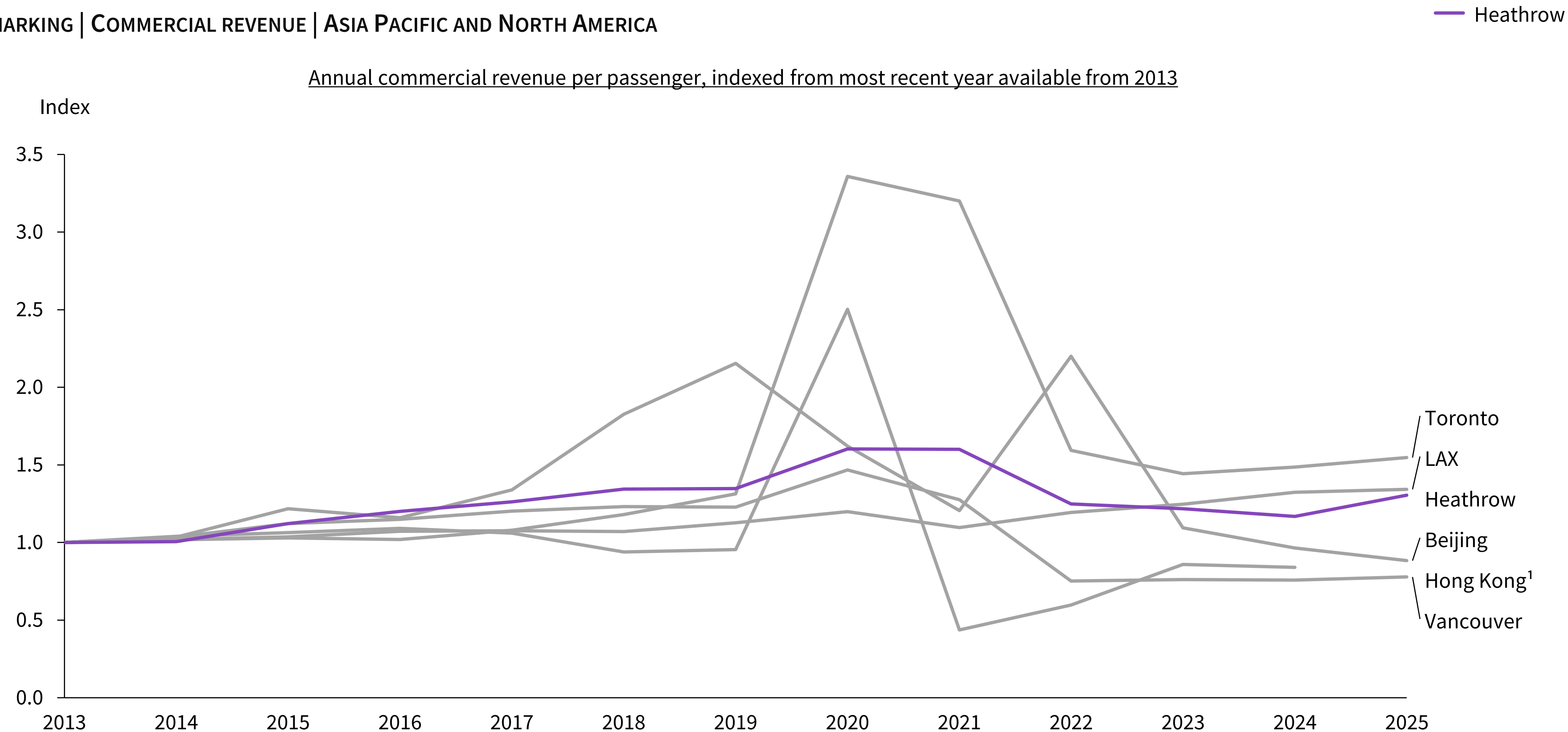
Notes: 1. Changi, Munich, Hong Kong, Tokyo Haneda, MAG and Manchester airports have not published their 2026 annual report yet

COMMERCIAL REVENUE

For commercial revenue growth compared to airports in the Asia Pacific and North America, Heathrow was amongst the top performer's pre-pandemic, with only Beijing achieving higher levels in 2019. Covid led to significant volatility, with Heathrow now outperforming Beijing and achieving similar revenue to LAX in 2025

BENCHMARKING | COMMERCIAL REVENUE | ASIA PACIFIC AND NORTH AMERICA

Annual commercial revenue per passenger, indexed from most recent year available from 2013



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Heathrow	1	1	1.12	1.2	1.26	1.34	1.35	1.6	1.6	1.25	1.22	1.17	1.31
Beijing	1	1.03	1.22	1.16	1.34	1.83	2.15	1.62	1.21	2.2	1.09	0.96	0.88

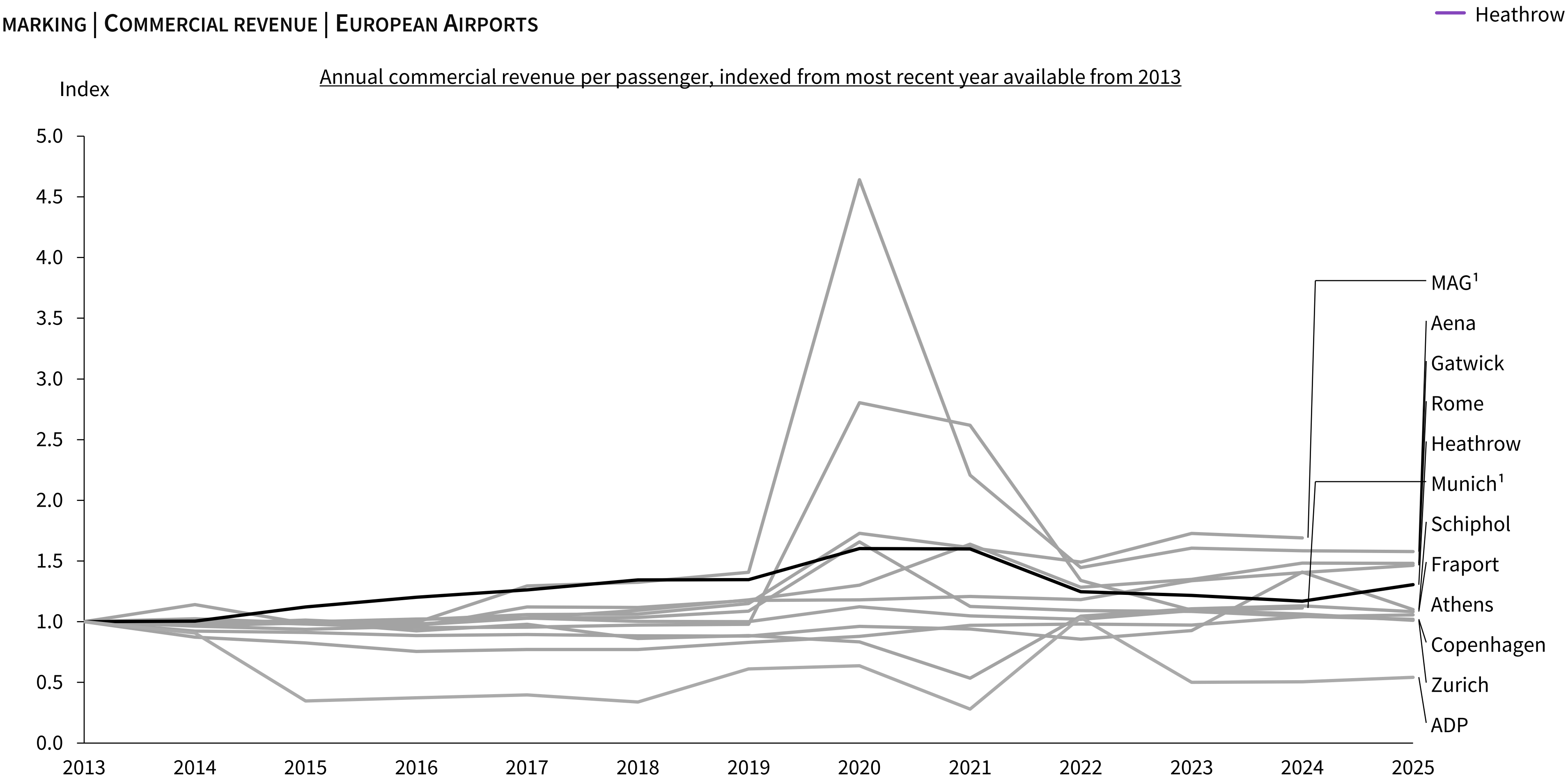
Source: Benoy analysis, Company/airport accounts

Notes: 1. Hong Kong airport has not published its 2026 annual report yet

Commercial revenue trends for European airports highlight moderate growth for most until 2019, with Gatwick, Rome, Heathrow, and AENA showing stronger recovery and performance in 2025. Munich and MAG have not yet published their 2025 end of year report

BENCHMARKING | COMMERCIAL REVENUE | EUROPEAN AIRPORTS

Annual commercial revenue per passenger, indexed from most recent year available from 2013



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Heathrow	1	1	1.12	1.2	1.26	1.34	1.35	1.6	1.6	1.25	1.22	1.17	1.31

Source: Benoy analysis, Company/airport accounts

Notes: 1. Both MAG and Munich have not published their 2026 annual report yet

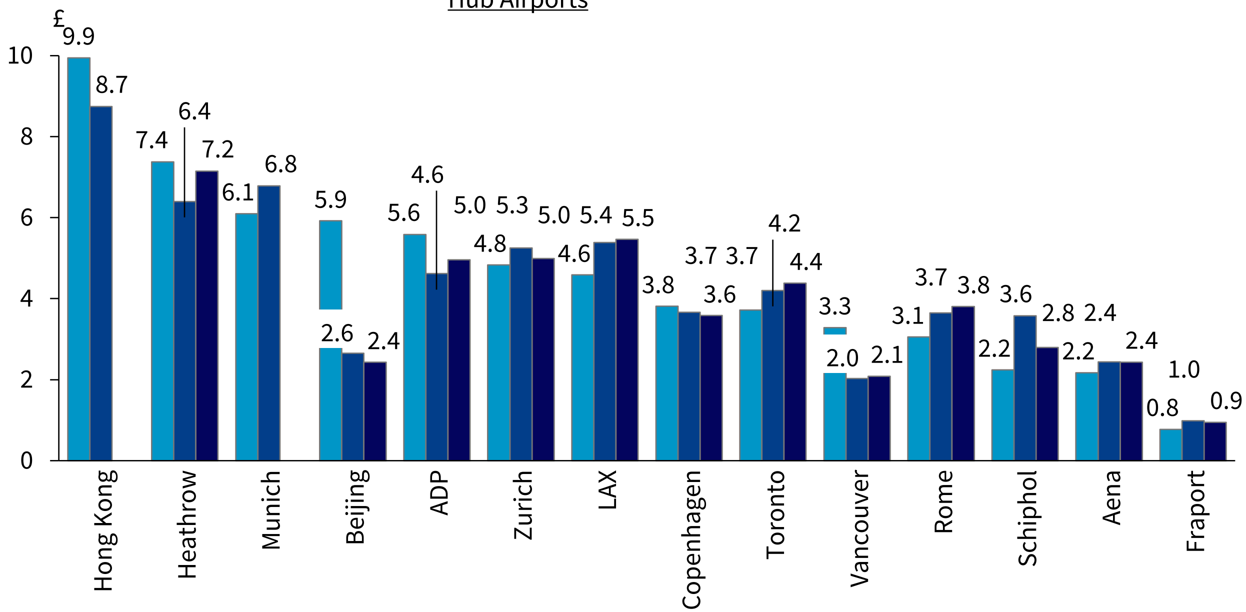
Hub airports like Heathrow continue to achieve highest total commercial revenue per passenger, which despite its -3% decline between 2019-2025, fared significantly better than Beijing and Vancouver. Regional airports Gatwick and Athens have delivered robust growth, driven by terminal space development and enhancement projects

Benchmarking | Total commercial[1]

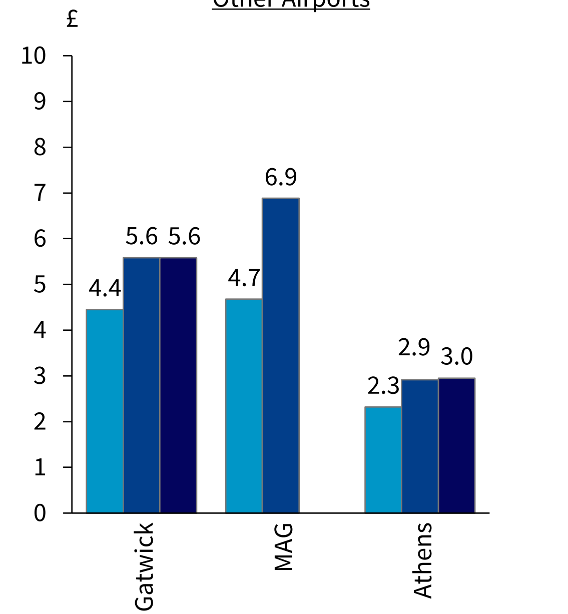
Total commercial revenue per passenger – hub airports vs other airports (2019 vs 2024 vs 2025)

Commercial: Income that has been reported from commercial including retail, F&B, property, parking, advertising, and ancillary services, etc.

Hub Airports



Other Airports



Growth Rate (2019 vs 2025)

-	-3%	-	-59%	-11%	3%	19%	-6%	18%	-37%	24%	25%	12%	22%	Median 8%

25%	-	27%	Median 26%

CAGR, full period (2013-2025)

-	3%	-	-1%	-6%	0%	3%	0%	4%	-2%	4%	1%	5%	1%	Median 1%

4%	-	1%	Median 2%

Source: Benoy analysis; Company/airport accounts

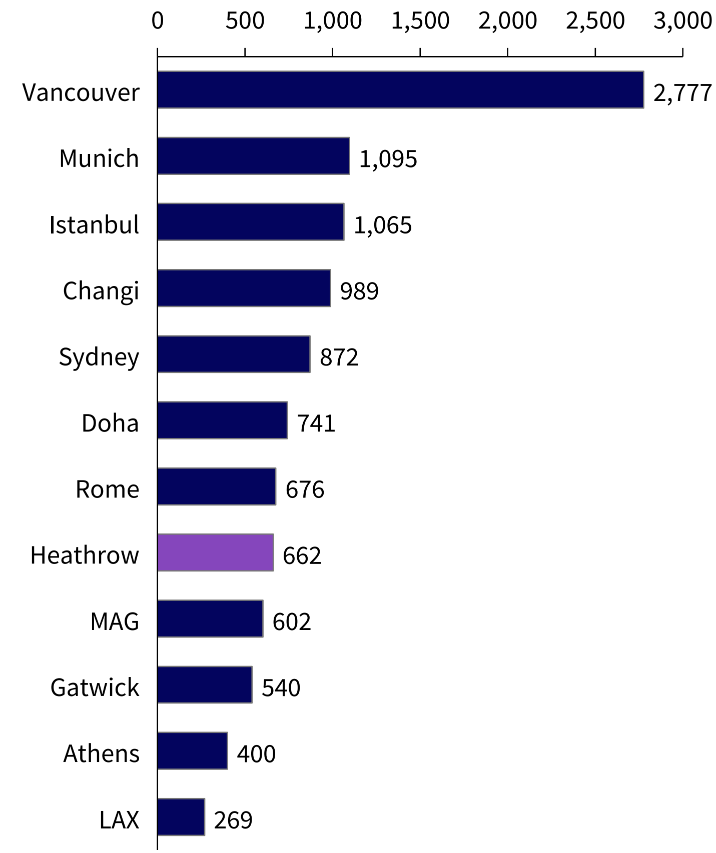
Notes: 1) Commercial revenues are largely composed of retail and F&B revenue (which are often not split out separately in annual reports). Additional items may include advertising, car rentals and other miscellaneous items. There may be variations between the exact revenue recognised by airports within these however, they will largely be composed of retail and F&B and therefore relatively comparable

The quantum of commercial space provision at Heathrow is low relative to industry standards. In most instances, where other airports have increased commercial revenue, it has been driven by an increase in commercial space, reflecting the challenges in driving revenue per passenger given Heathrow's space constraints

BENCHMARKING | COMMERCIAL SPACE

Commercial space[1] (m^2) per million passengers, latest year available

Airport	Total commercial space (m^2)	Pax (m)	Space / million
Athens	13,600	34	400
Changi	90,000	91	989
Gatwick	23,225	43	540
Heathrow	56,232	85	662
Manchester Airports Group	39,118	65	602
Munich	46,000	42	1,095
Rome	37,170	55	676
Sydney	34,000	39	872
Vancouver	74,974	27	2,777
LAX	20,169	75	269



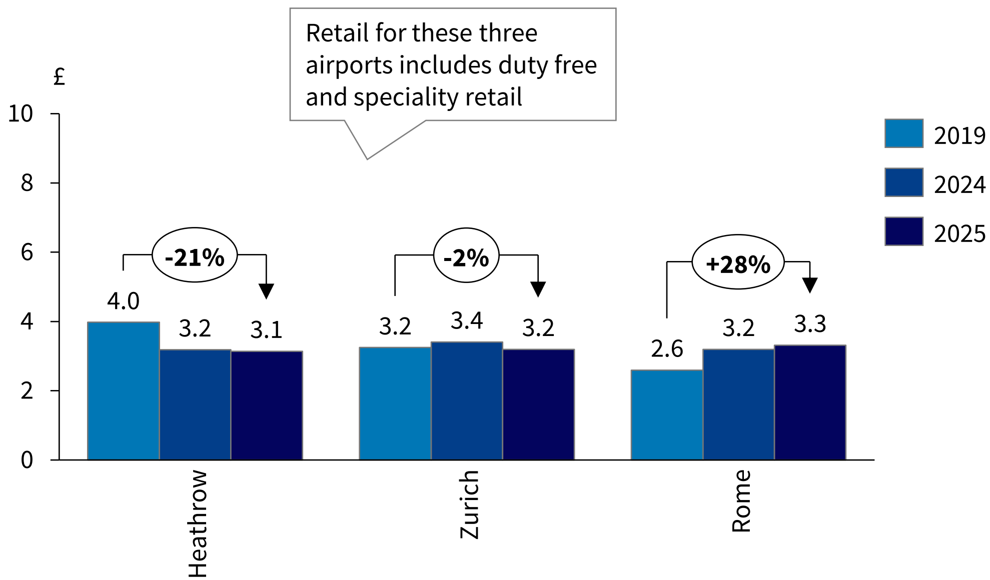
Source: Company/airport accounts; HAL data

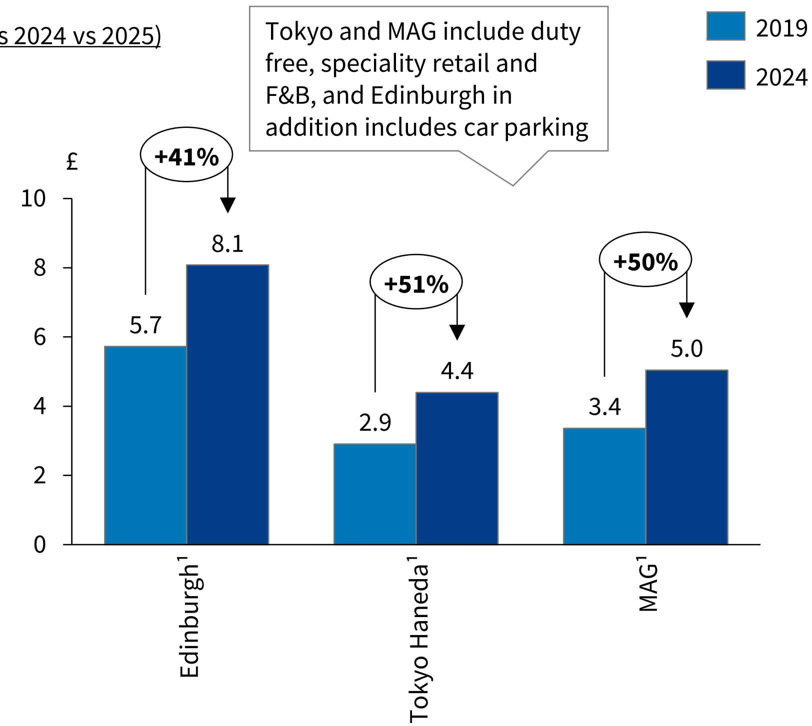
Note: [1]Commercial space is predominantly composed of duty free, speciality retail, and F&B (excludes lounges and wider property); Data not available for Tokyo

Retail revenue per passenger at Heathrow has decreased -21% from 2019, sitting below other airports who report comparable retail categories in 2025 such as Zurich and Rome. Growth for other airports has been driven by new retail space and enhanced retail offerings owing to airport expansions and redevelopment

BENCHMARKING | TOTAL COMMERCIAL | RETAIL

Total retail revenue per passenger (2019 vs 2024 vs 2025)





Growth Rate[1] (2019 vs 2024 vs 2025)

-21%	-2%	28%	Median 17%	41%	51%	50%

CAGR[1], full period (2013-2025)

-1%	5%	5%	Median 5%	5%	9%	6%

Source: Benoy analysis; Company/airport accounts

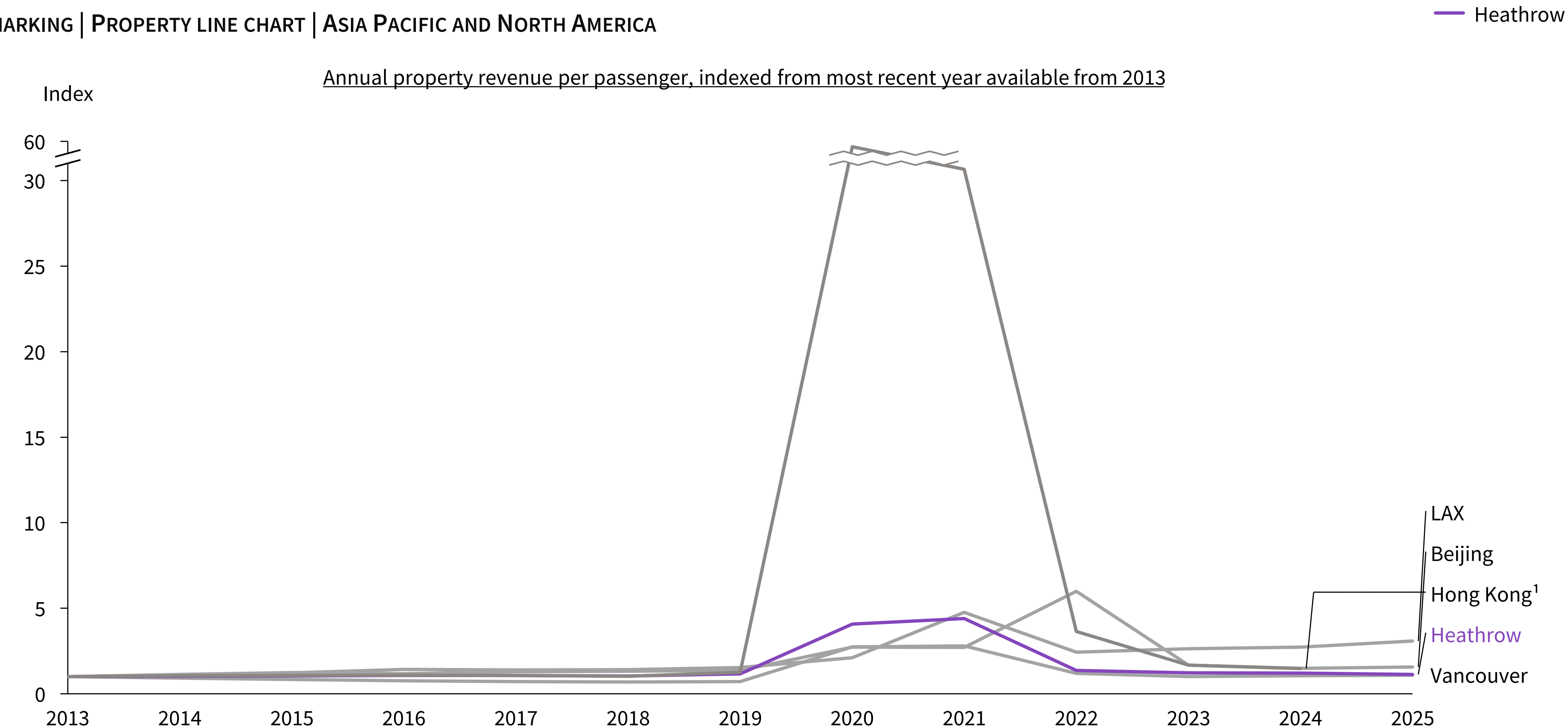
Notes:1. Edinburgh, MAG and Tokyo Haneda airports have not published their 2026 annual report yet

Property revenue

Property revenues across the benchmarks returned to consistent pre-covid levels by 2023, with LAX and Beijing showing the strongest performance in 2025. Hong Kong was achieving similar rates to Beijing in 2024

BENCHMARKING | PROPERTY LINE CHART | ASIA PACIFIC AND NORTH AMERICA

Annual property revenue per passenger, indexed from most recent year available from 2013



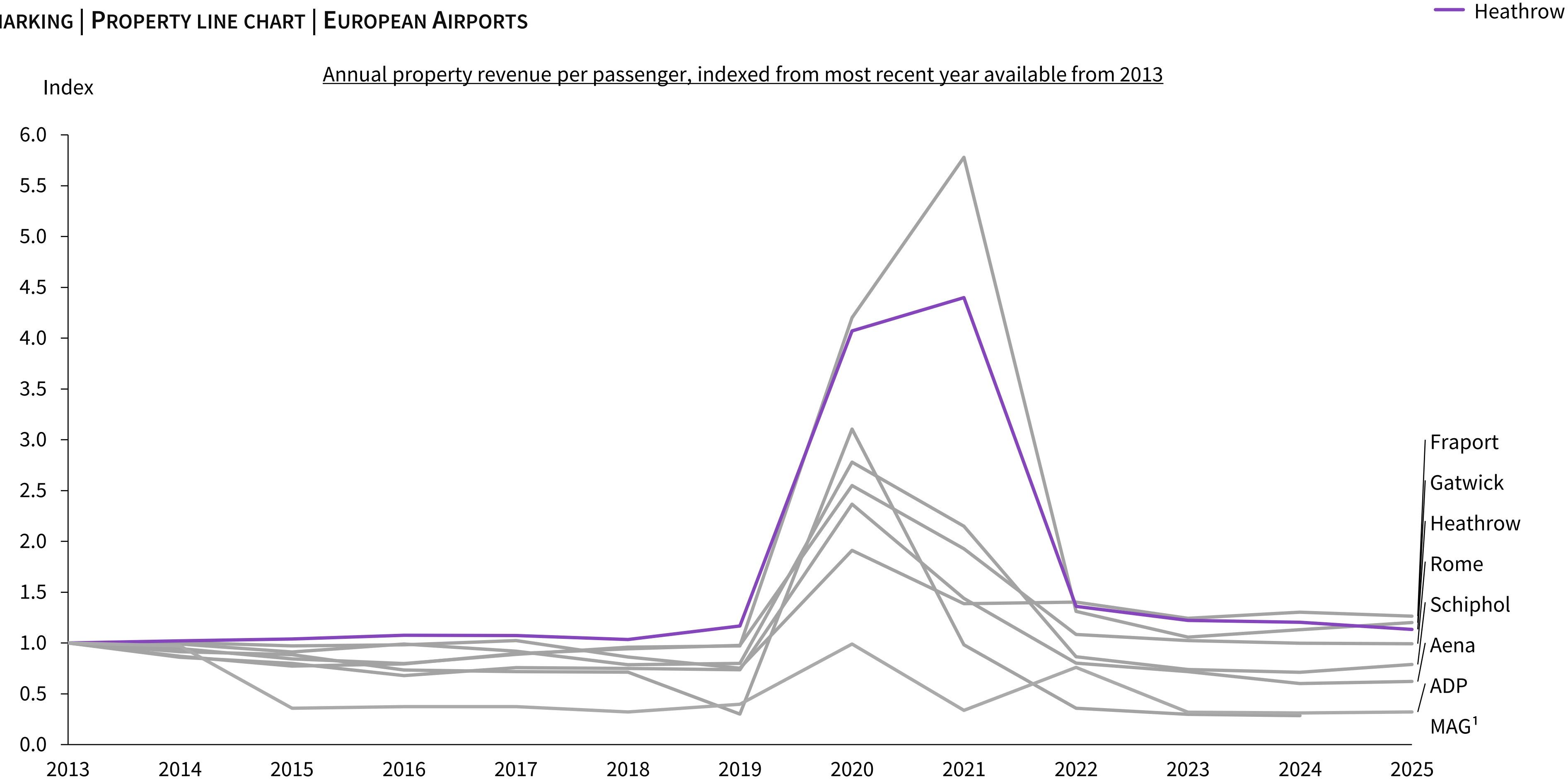
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Heathrow	1	1.02	1.04	1.08	1.07	1.03	1.17	4.07	4.4	1.36	1.22	1.2	1.13
LAX	1	1.12	1.23	1.42	1.39	1.41	1.53	2.1	4.76	2.43	2.64	2.73	3.09

Source: Benoy analysis; Company/airport accounts

Notes: 1. Hong Kong has not published its 2026 annual report yet

Property revenues across European benchmarks recovered to pre-pandemic levels by 2022. Fraport, Gatwick and Heathrow are the strongest performing airports for property revenue in 2025. Closely followed by Rome, Schiphol, and Aena

BENCHMARKING | PROPERTY LINE CHART | EUROPEAN AIRPORTS



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Heathrow	1	1.02	1.04	1.08	1.07	1.03	1.17	4.07	4.4	1.36	1.22	1.2	1.13

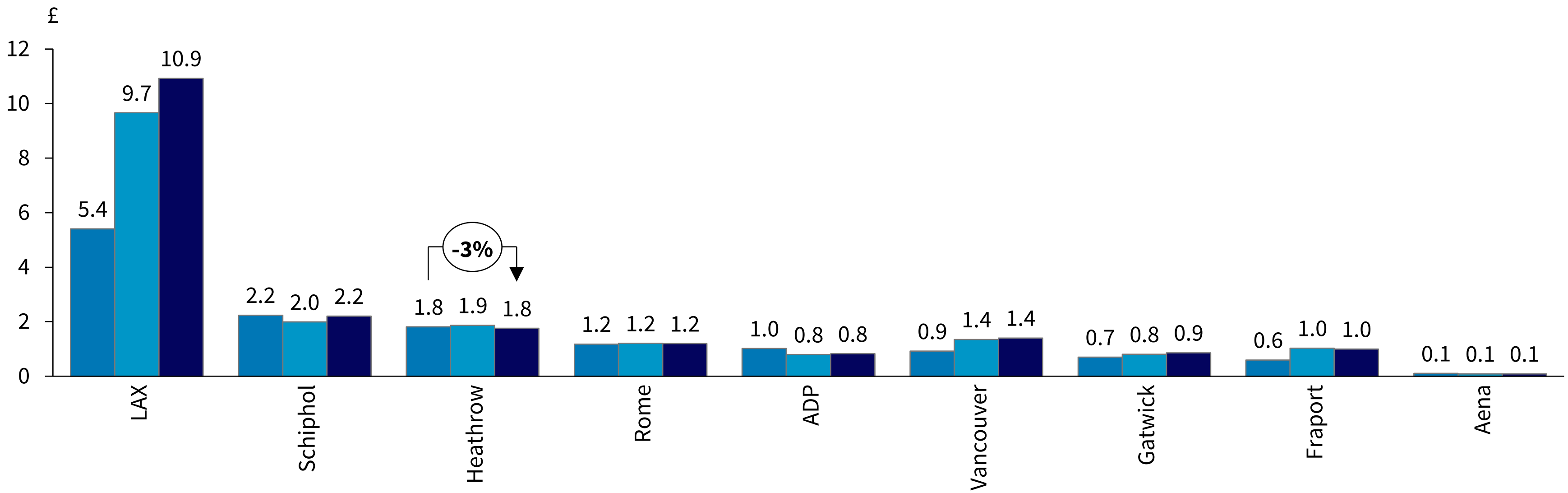
Source: Benoy analysis; Company/airport accounts

Notes: 1. MAG has not published its 2026 annual report yet

Heathrow's property revenue in 2025 decreased by 6% compared to 2024 levels, a -3% decrease from 2019 levels. Schiphol showed a -1% decrease from 2019 levels, following its -2% CAGR over the 12-year period, whilst Vancouver, Gatwick and Fraport showed steady growth in the 2019 to 2025 period

BENCHMARKING | PROPERTY

Total property revenue per passenger (2019 vs 2024 and 2025)



Growth Rate (2019 vs 2025)

LAX	Schiphol	Heathrow	Rome	ADP	Vancouver	Gatwick	Fraport	Aena	
102%	-1%	-3%	2%	-19%	52%	23%	68%	-16%	Median: 2%

CAGR, full period (2013-2025)

LAX	Schiphol	Heathrow	Rome	ADP	Vancouver	Gatwick	Fraport	Aena	
12%	-2%	1%	0%	-11%	1%	2%	2%	-5%	Median: 1%

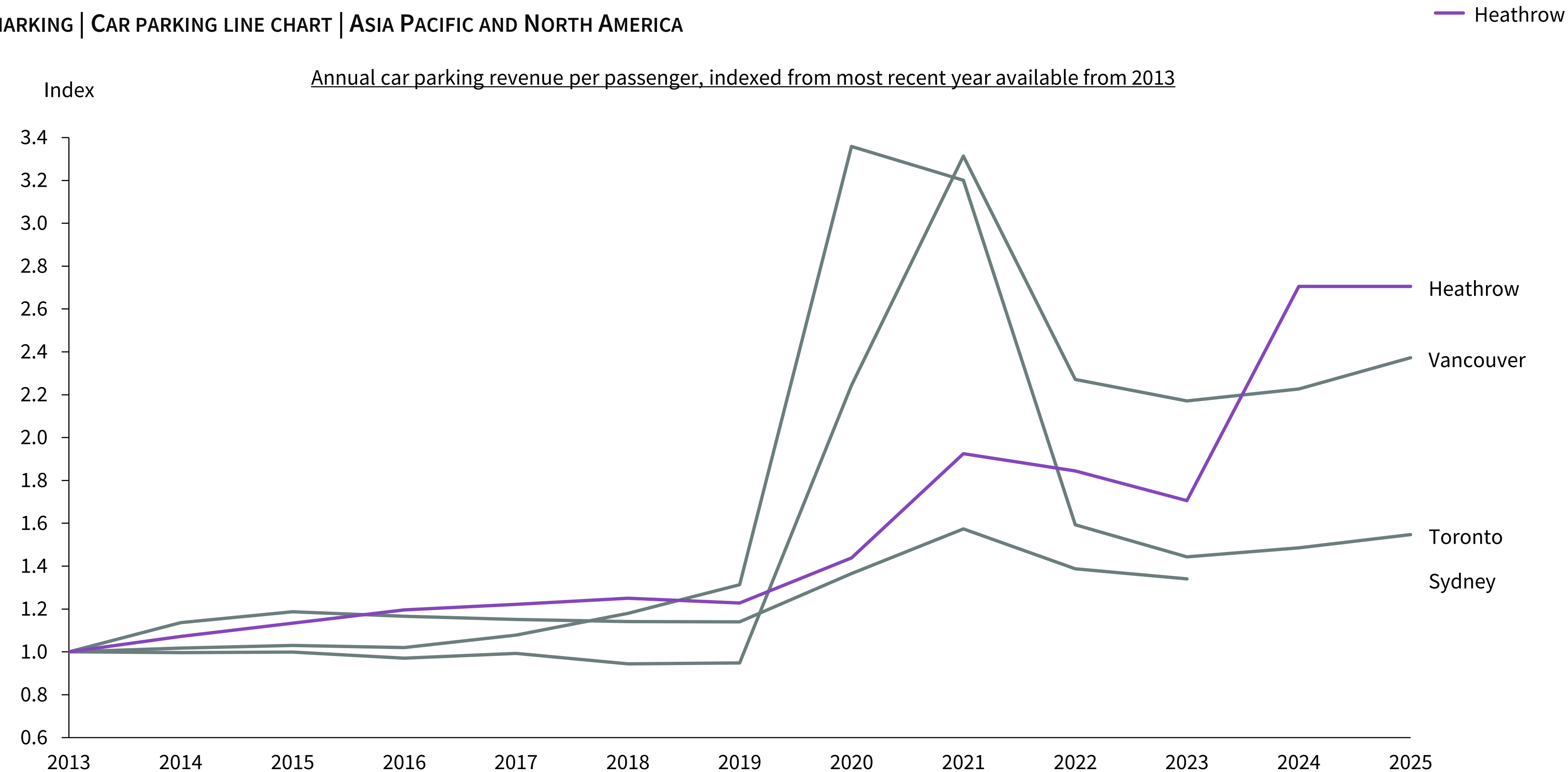
Source: Benoy analysis; Company/airport accounts

Notes: 1. Schiphol property revenue includes s separate real estate line incorporating the total portfolio (incl. CBD development) of 650,000m² of which 35% is office space and 50% industrial

Car Parking revenue

The airports in Asia Pacific and North America have shown robust growth in parking revenue, with all airports achieving improved performance in 2025, relative to 2019. Showing less volatility compared to peer airports, Heathrow has delivered consistent growth over the period

BENCHMARKING | CAR PARKING LINE CHART | ASIA PACIFIC AND NORTH AMERICA



Heathrow	1	1.07	1.13	1.2	1.22	1.25	1.23	1.44	1.92	1.84	1.71	2.71	2.71

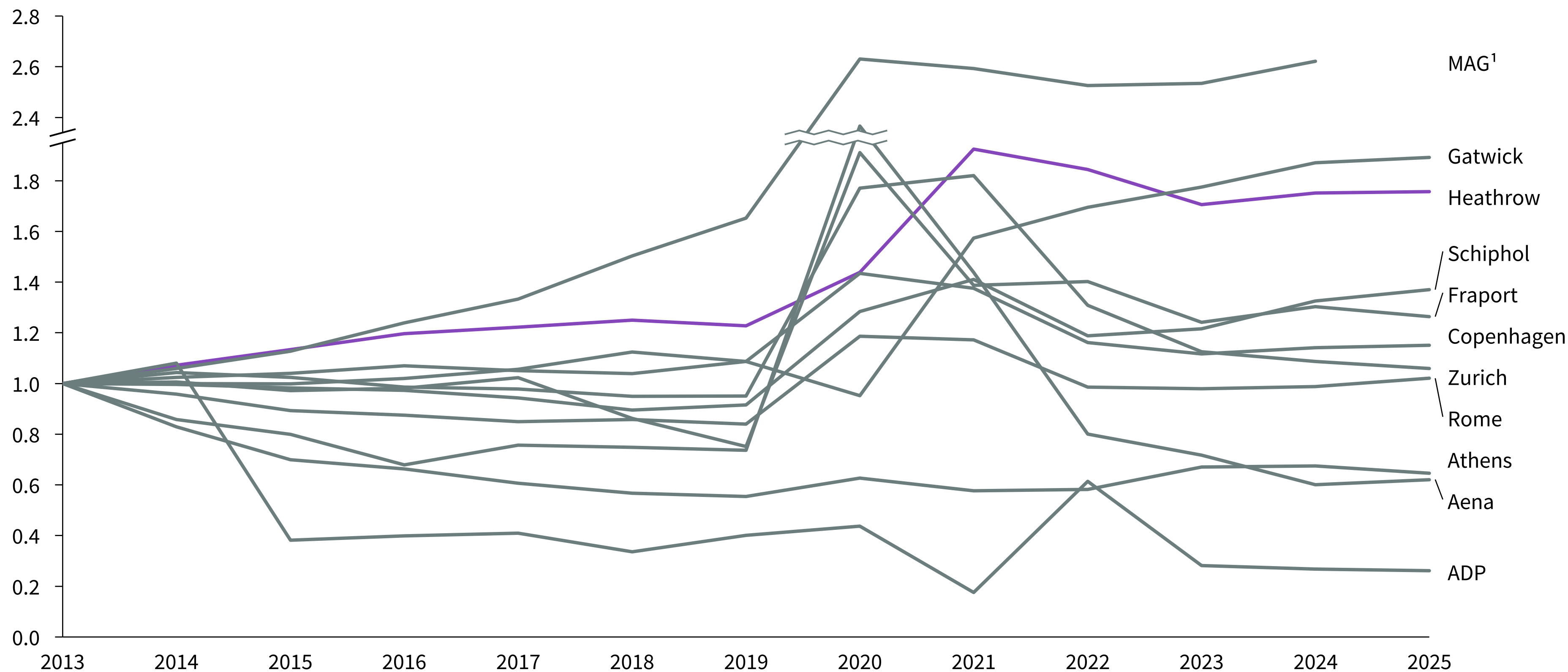
Source: Benoy analysis; Company/airport accounts

Note: Sydney stopped posting its annual reports starting 2023

Across the European airports, car parking revenue trends show Gatwick achieving the highest consistent growth, with Heathrow and Schiphol following, compared to peers. Many of the other European airports have achieved more modest or declining growth in their car parking revenue

BENCHMARKING | CAR PARKING LINE CHART | EUROPEAN AIRPORTS

Annual car parking revenue per passenger, indexed from most recent year available from 2013



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Heathrow	1	1.07	1.13	1.2	1.22	1.25	1.23	1.44	1.92	1.84	1.71	1.75	1.76

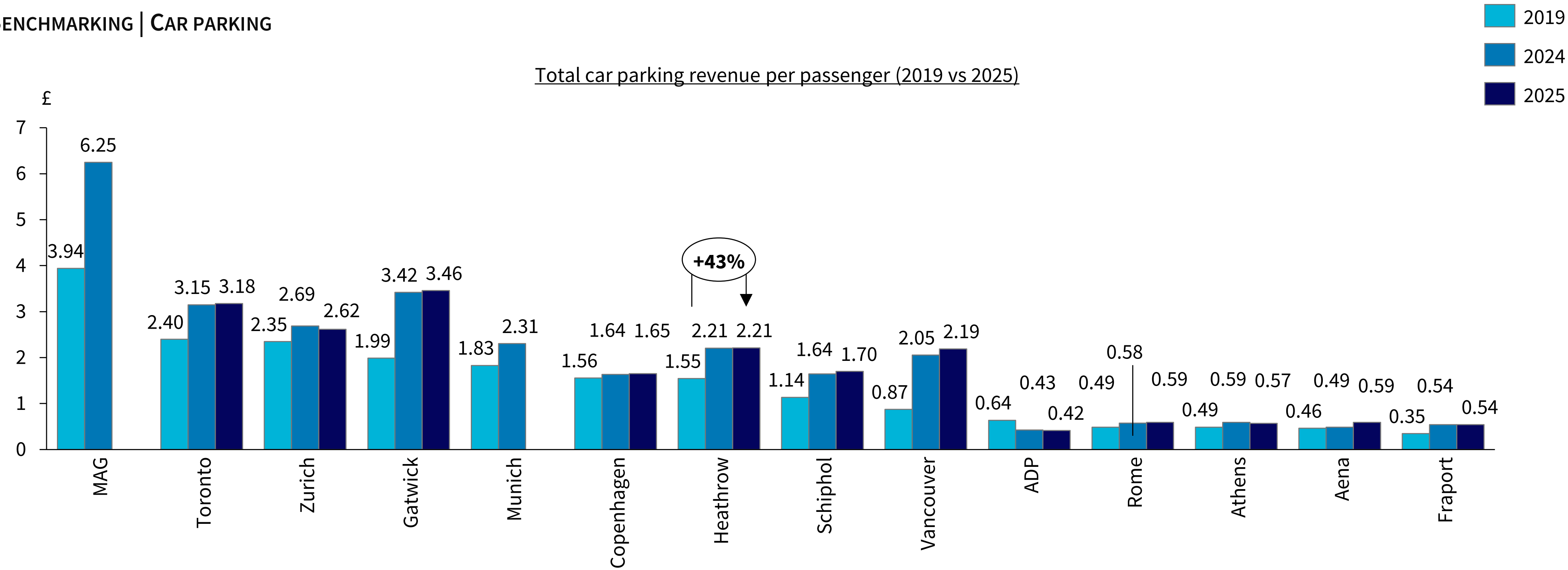
Source: Benoy analysis; Company/airport accounts

Notes: 1. MAG has not published its 2026 annual report yet

Gatwick led car parking revenue per passenger in 2025, followed by Toronto and Zurich. Gatwick, Vancouver and Fraport recorded the strongest growth since 2019. Heathrow outperformed the median, with revenue rising 43% to £2.21 per passenger in 2025 and delivering a 6% long-term CAGR versus the 2% median.

BENCHMARKING | CAR PARKING

Total car parking revenue per passenger (2019 vs 2025)



Growth Rate (2019 vs 2025)

MAG	Toronto	Zurich	Gatwick	Munich	Copenhagen	Heathrow	Schiphol	Vancouver	ADP	Rome	Athens	Aena	Fraport	
-	32%	11%	74%	-	6%	43%	50%	150%	-35%	22%	17%	27%	56%	Median: 25%

CAGR, full period (2013-2025)

MAG	Toronto	Zurich	Gatwick	Munich	Copenhagen	Heathrow	Schiphol	Vancouver	ADP	Rome	Athens	Aena	Fraport	
-	3%	1%	7%	-	1%	6%	3%	9%	-13%	0%	-4%	3%	5%	Median: 2%

Source: Benoy analysis; Company/airport accounts

Notes: 1. Both MAG and Munich have not published their 2026 annual report yet

Contents

Expert interview insights from luxury retailers highlights the importance of experience led luxury activations as well as the impact of having a strong online presence which has improved customer personalisation and engagement

KEY MARKET TRENDS | WIDER LUXURY MARKET TRENDS FROM EXPERT INTERVIEWS | EXECUTIVE SUMMARY

Key and future markets

Chinese travellers: biggest spend driver, but also a concentration risk (around 30% of revenue in major hubs)
US travellers: FX tailwind in Europe, estimated around +15% perceived price attractiveness
Middle East travellers: High-spend audience but exposed to disruption from regional crises/volatility
Russian Travellers: High russian traveller purchasing power, especially in Istanbul

Indian travellers: increasing/rising traveller group at some airports
Wealthy North & South American travellers: part of the high-spend mix in some contexts, though considered as secondary long haul high spend segment

Impact of Online

Click & collect / pre-order is now meaningful: click & collect can be around 10–20% of airport sales; Asian (incl. Chinese) travellers over-index; pre-order skews more luxury/relationship-led
E-commerce is squeezing some physical formats: specialty shops are reported to be struggling more than other retail types, potentially due to higher e-commerce exposure
Data + personalisation allows omnichannel: build first-party data and use partnerships (e.g., events, transport) to target offers such as personalised offers cited as driving around 3x conversion uplift

Consumer Trends

Premium "splurge" / trade-up: travellers upgrading from casual to premium experiences post-COVID
Experience-led luxury: experiential concepts deliver around 5–15% conversion uplift; hybrid luxury-hospitality formats matter (even if still small)
More selective, brand-led choices: consumers wait for preferred offers; in the UK there's stronger pull towards known/established brands
Local + sustainability: stronger demand for locally sourced elements; sustainability/net zero increasingly used as selection criteria
Luxury growth pockets: fastest growth called out in watches, jewellery, leather goods, plus high-end/niche fragrance and "price migration" (€50 → €100–150+)

Risks and Opportunities

Risks

Demand concentration + shocks: reliance on Chinese and exposure to geopolitical disruption
Cost + affordability squeeze: high rent levels in UK airports (around 25–45%) plus wider cost-of-living pressure
Value proposition erosion: duty-free pricing credibility gap and heavy discounting risking long-term loyalty

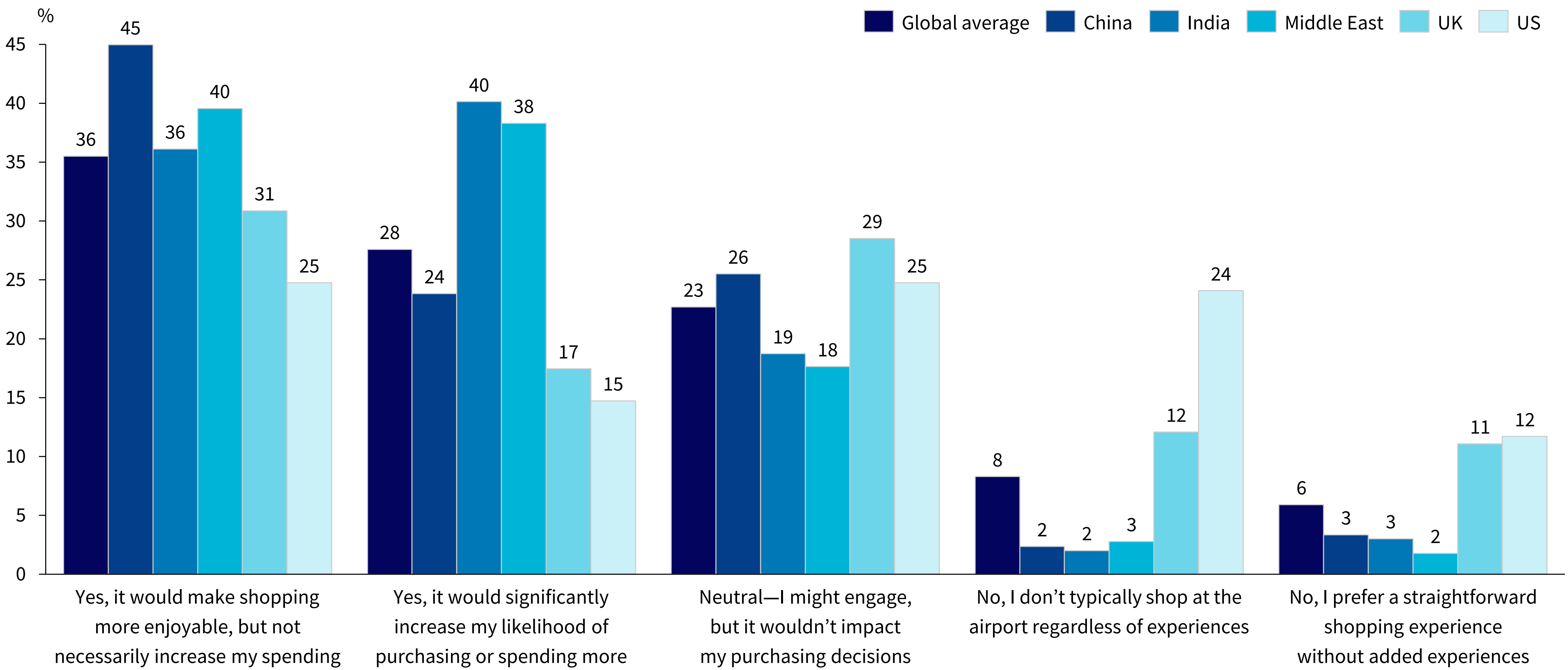
Opportunities

Experience-led luxury: experiential formats linked to around 5–15% conversion uplift
Data / personalisation (including AI) + partnerships: first-party data strategies and targeted offers
Omnichannel + premium services: growth to up to 30% of sales through pre-order/click & collect + bundle premium passenger services

Source: Benoy expert interviews

UK and Chinese passengers significantly over index on the global average for claiming that experiential or immersive elements would increase their likelihood of purchasing or spending more, according to our Global Pulse Survey conducted in 2025

BENOY PULSE GLOBAL SURVEY 2025 | WOULD HAVING AN IMMERSIVE OR EXPERIENTIAL* ELEMENT MAKE YOU MORE LIKELY TO SHOP OR SPEND MORE AT THE AIRPORT?



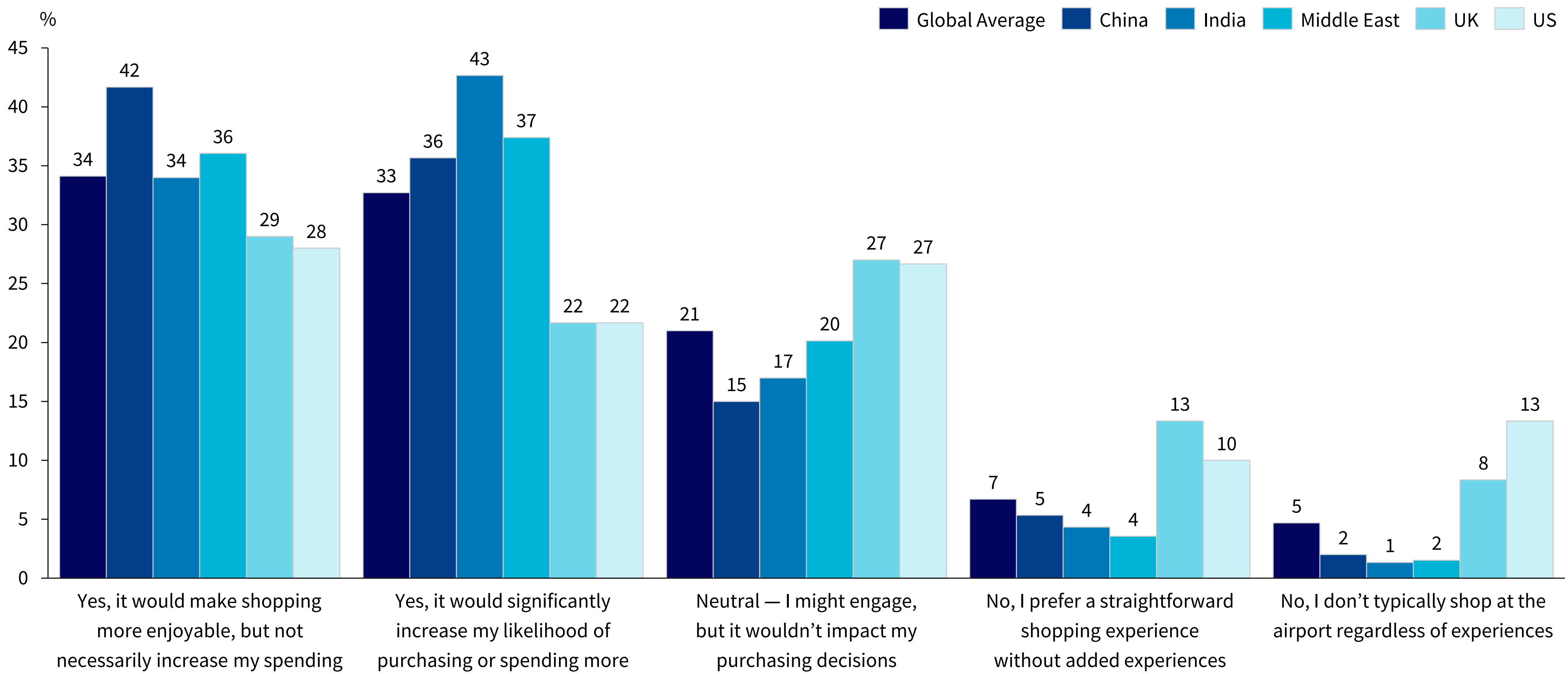
Source: Benoy Pulse Global Survey 2025

Note: This questionnaire includes a global consumer survey covering the UK, US, GCC, Saudi Arabia, India, and China with a total sample size of 1,600

** e.g., interactive displays, product demonstrations, virtual try-ons, brand pop-ups*

Chinese and Indian passengers significantly over index on the global average for claiming that experiential or immersive elements would increase their likelihood of purchasing or spending more, according to our Global Pulse Survey conducted in 2026

BENOY PULSE GLOBAL SURVEY 2026 | WOULD HAVING AN IMMERSIVE OR EXPERIENTIAL* ELEMENT MAKE YOU MORE LIKELY TO SHOP OR SPEND MORE AT THE AIRPORT?



Source: Benoy Pulse Global Survey 2026

Note: This questionnaire includes a global consumer survey covering the UK, US, GCC, Saudi Arabia, India, and China with a total sample size of 1,600

** e.g., interactive displays, product demonstrations, virtual try-ons, brand pop-ups*

Chinese and US travellers seem to be the biggest revenue drivers in the airport luxury sector with Middle Eastern travellers following the trend. Recently, a new emergent category has been Indian travellers with an increasing presence in international airports

KEY MARKET TRENDS | WIDER LUXURY MARKET TRENDS FROM EXPERT INTERVIEWS | KEY CURRENT AND FUTURE MARKETS

Chinese travellers appear to be strongest spenders in the luxury retail sector

Key current markets

China (high-value Chinese travellers): core spend driver in luxury travel retail, but also a material concentration risk (cited at ~30% of revenue in major hubs)
US travellers: supporting Europe/UK hub performance; favourable FX translated into an estimated ~+15% perceived price attractiveness at the beginning of 2026
Middle East travellers: associated with higher average spend in retail/F&B, but exposed to disruption from regional volatility
Russian travellers (via Istanbul): Istanbul referenced as comparatively resilient, linked to high Russian traveller purchasing power
Wealthy long-haul (Americas): some exposure to wealthy North and South American customers is referenced (not at Heathrow/Paris scale)
British travellers: present-day demand driver (Spain duty-free performance "has performed very well" with British passengers as the largest market)

"

We can mention that we are still very dependent on Chinese travellers as luxury brands…because 30% of the revenue, in the biggest airport hubs, depends on these travellers.

Expert interview – European Travel Retail Director

"

Key future markets

Indian travellers: increasing outbound traveller presence at selected airports (airport-specific, not uniform across hubs)

"

We see travellers from India increasing their spend on luxury purchases.

Expert interview – European Marketing Director

"

Source: Benoy Expert Interviews

Expert interview insights highlight the importance of new digital and online trends that luxury retail seem to follow while remaining true to experiential and exclusive services such as online pre-orders

KEY MARKET TRENDS | WIDER LUXURY MARKET TRENDS FROM EXPERT INTERVIEWS | IMPACT OF ONLINE

Click & Collect booth at Sydney Airport

Luxury is less click & collect-led and more pre-order-led, as shoppers typically seek a curated, relationship-driven purchase

Trends

Digital supports luxury primarily via pre-order + CRM (not click & collect): click & collect is described as price-led and better suited to accessible brands; luxury performs better when digital drives pre-order and relationship-led service.

Digital increases the premium on physical experience: luxury still depends on experiential/hospitality-led boutiques to increase their sales, while hybrid flagships are strategic but not yet scaled.

Digital price transparency weakens 'duty-free savings': when customers can compare prices easily, the channel must win luxury shoppers through exclusivity, service and differentiation rather than relying on discount perception.

"

Pre-order is more luxury-oriented and tied to brand experience and customer relationships.

Luxury… experiential retail… must be done in physical.

Expert interview – European Travel Retail Director

"

Source: Benoy Expert Interviews

The fastest luxury growth categories include watches, jewellery and leather goods, alongside high-end, unique fragrances supported by price migration. Experience-led luxury has also encouraged an increase in conversion, with travellers valuing premium experiences over the stand-alone bricks-and-mortar store formats

> *Experiential retail has a direct positive impact on conversion rates, with a 5-15% conversion rate increase versus non-experiential formats…as luxury requires physical experiential retail, while pre-order is more luxury-oriented and tied to brand experience and customer relationships.*
>
> Expert interview – European Travel Retail Director

Louis Vuitton shop at Hamad Airport linked to Café and Lounge

Trends

Premiumisation (‘splurge’ behaviour): Post-COVID travellers increasingly trade up in-terminal, treating the airport as the start of the trip spend

Experience-led luxury conversion: Experiential concepts are linked to ~5–15% higher conversion vs non-experiential; luxury + hospitality hybrids are increasingly becoming important in airports

More selective, brand-led purchasing: Travellers are more intentional and will wait for preferred brands/offers; in the UK, there is a stronger pull towards established brands (notably for flagship/first-time airport locations)

Local provenance & sustainability: Airports are placing more weight on local provenance elements and sustainability/net-zero targets in partner selection

Luxury growth pockets and price migration: Fastest growth is called out in watches, jewellery and leather goods, alongside high-end/niche fragrances supported by price migration (e.g., €50 → €100–150+)

Source: Benoy Expert Interviews

The luxury retail sector faces geopolitical risks disrupting travel volumes, passenger mix, and spend behaviour. But opportunities arise due to emerging trends being applied in the airport context with personalised services / offerings and experience lead customer journeys

KEY MARKET TRENDS | WIDER LUXURY MARKET TRENDS FROM EXPERT INTERVIEWS | RISKS AND OPPORTUNITIES

Risks

“ *We are still very dependent on Chinese travellers…So this dependency is clearly a huge risk and at one point, the Chinese are not going to be able to travel*

Expert interview – European Travel Retail Director ”

Passenger-mix volatility: Heavy exposure to shifts in Chinese traveller volumes/spend (noted as a major hub vulnerability; impacting subcategories like beauty and watches)

Geopolitical / macro disruption: Ukraine conflicts and broader consumer confidence shocks can hit traffic and discretionary spend. Shift majorly seen in European airports

High capex to implement the experiential strategy: Experiential concepts can lift conversion but require meaningful investment (e.g., cited minimum around €100k per concept)

Opportunities

Exclusives + limited drops: Drive urgency via travel-retail-only SKUs, collabs and special packaging

Pop-ups as a test-and-learn engine: Fast, low-commitment trial of new formats/categories (and keeps the offer feeling ‘new’)

Tailored assortments: Move away from typical global trends and curate by city/terminal/passenger segment and lean into niche/luxury growth pockets

“ *Future competitiveness depends on personalization, cross-category collaboration, pop-up formats, and tailored assortments by location and customer segment.*

Expert interview – European Marketing Director ”

Source: Benoy Expert Interviews

In the wider market, duty free revenue is increasingly being driven by each airport's passenger profile and brand led differentiation such as premium beauty and fragrance categories, more specifically niche brands with exclusive services and packaging

KEY MARKET TRENDS | CATEGORY TRENDS FROM EXPERT INTERVIEWS | DUTY FREE

Key performance drivers & trends

Passenger mix: passenger mix that naturally over-indexes to core categories drive performance (e.g., in Spain, performance is described as very strong, driven primarily by British passenger's post-Brexit, with tobacco and alcohol as the top-performing products)

Exclusivity as a traffic and sales engine: worldwide brand notoriety and travel-retail exclusives (special sizes/flavours/packaging) considered as primary drivers

Personalisation + first-party data: targeted, personalised offers produce around 3x conversion uplift in tests/experience—making data strategy a direct commercial lever

Hybridisation to lift dwell time and penetration: hybrid concepts (including F&B adjacencies in/near duty-free/Cloud kitchens) are an emerging revenue sources

> "*The driver will be the notoriety of the brand… the exclusivity of the brand… we continue to develop special sizes, special flavours or special packaging*"
>
> Expert interview – European Travel Retail Director

Challenges

Eroding "duty-free discount" perception: static pricing + discount pricing dependent

Low first-party data / weak loyalty mechanics: limited visibility of who is coming

Siloed ecosystem + homogenised global offer: "same brands everywhere" concept, leading to lower percentage of local brands

Risks

Regulatory: tobacco volatility + sugar taxes pressuring core categories (tobacco/alcohol/ sugar)

Border controls/queues: EU Entry/Exit System disruption

Demand sensitivity: mid-market under pressure (cost of living/FX/inflation

Geopolitical exposure: confidence shocks + reliance on key traveller flows (e.g., Chinese) drive volatility

Opportunities

Personalisation + partnerships: use transport signals to identify confirmed travellers earlier and target offers (e.g., ride to airport/rail data)

Experiential offers: confectionery can improve by using personalisation, gamification and exclusivities+ use pop-ups/temporary formats

Cross-category / hybridisation : bringing F&B formats into duty free can lift penetration and dwell time

> "*As soon as you order an uber to the airport you are for me a confirmed traveller. From that moment on, the target can start.*"
>
> Expert interview – European Marketing Director

Source: Benoy expert interviews

Speciality retail performance is predominantly driven by assortments that install familiarity and refreshed brand concepts that resonate with newer generations. Though it has seen challenges with digital substitution and macroeconomic pressure, it should leverage emerging hybrid, experience-led formats and localising the offer

KEY MARKET TRENDS | CATEGORY TRENDS FROM EXPERT INTERVIEWS | SPECIALITY RETAIL

Key performance drivers & trends

Passenger-fit assortment: matching the offer to airport-specific passenger demographics, trip purpose and spend profile, rather than assuming a single 'best' specialist mix everywhere

Sense-of-place/affiliation: assortment connects to location, identity and purpose (e.g., club/team merchandise, travel-relevant casual)

Airport only proposition (vs online): stronger concepts through immediacy, convenience, and differentiated curation that justifies buying in-terminal

Planned concept renewal: regular concept/brand/fit-out refresh (recommended on roughly a 3–4 year cycle) to keep the offer 'new' and protect conversion

Experience-led conversion: adding 'experience' into retail is repeatedly associated with higher conversion

> *You have been in a place, and you are looking for things that relate you to that place… If you change shops, the branding, the menu, the concept, the furniture, that kind of change will result into more revenue.*
>
> Expert interview – European Airport Operator CFO

Challenges

Digital pre-order still small impact (click & collect / shop-before-you-fly "not moving the needle")

Time scarcity / queues reduce 'qualified shoppers' (e.g., new EU border controls creating queues; passengers rushing aren't viable retail customers)

Spend shifting to experiences / F&B (passengers choosing a "nice meal" vs buying items)

Risks

Brand pipeline risk for differentiated specialty: the "right" local brands may be small / inexperienced for airports + procurement dynamics / logistics favour established operators

Rent / MAG escalation: operator failure risk (high fixed commercial terms can make the model fragile)

Digital retail not yet a safety net: click & collect / shop-before-you-fly interest is rising but still "so small"

Opportunities

Lean into "sense of place" + identity-led specialists (e.g., sports merchandise stores as outperforming luxury in certain airports → where low-cost/local passenger mix is high)

Hybrid concepts that bundle retail + experience (e.g., combining a restaurant unit with local desserts/chefs/dishes and retail products as an emerging revenue source)

Localised assortments by airport/city rather than "one size fits all"

> *I think airport operators for retail are guys that are extremely sophisticated, that they understand the business trends, they understand that a mix of local and international is necessary.*
>
> Expert interview – European Airport Operator CFO

Source: Benoy expert interviews

Post COVID, F&B as a category has seen a significant preference towards sit down and casual dining concepts, with rising brand selectiveness and demand for experiences. Challenges include high rents and input-cost volatility, but airport operators should seek to create destination dining experiences and introduce scalable local provenance

KEY MARKET TRENDS | CATEGORY TRENDS FROM EXPERT INTERVIEWS | FOOD & BEVERAGE

Key performance drivers/trends

Right format mix (tilting to sit-down/casual dining): aligned to airside dwell time and long-haul profiles (sit-down now taking the biggest participation share as long-haul skews 70/30 dining vs grab-and-go; sit-down of about 50% of participation)

Brand strength + concept relevance: post-COVID travellers are more selective and will wait for the offer they want, so "right brands" materially drive penetration

Experience + ambience as a value lever: sit-down formats have more pricing flexibility and margin upside vs price-point-constrained coffee/QSR

Cost discipline under the airport cost load: commercial terms + labour + COGS are determinative for profitability, and the model can get fragile quickly

Refresh/refurb cycle to sustain demand: keeping concepts/menus/furniture static for long periods is positioned as a revenue risk; refresh cadence matters

> *"From 2023 onwards… we still continue to see… a lot higher weightage towards the sit-down sector...Post COVID, I think the consumer has been picky in the sense of, what the offer is, what the brand is and either they are happy to wait."*
>
> Expert interview – Airport Operation Manager

Challenges

High airport cost base: rent 25–45% + labour 15–25% (often 60–70% of topline before COGS)

Value formats are price-capped: coffee/QSR have limited ability to push price without losing competitiveness

Airside operations friction: security screening makes replenishment and goods movement slow/labour-heavy

Risks

Cost volatility + slow repricing: geopolitics/inputs move fast, but airport contracts rarely allow frequent price re-benchmarking

ATV downtrade risk: cost-of-living pressure can reduce add-ons/full-meal purchasing

New fulfilment unproven: delivery-to-gate needs heavy integrations (e.g., "30 integrations" cited); dark kitchens need high volumes

Opportunities

Grow sit-down where dwell is longest: tilt the mix to sit-down/casual dining for airside + long-haul

Design 'destination' dining: use terraces/outdoor/airfield views + strong ambience to extend dwell and support higher-margin spend

Differentiate with scalable local provenance: keep 70–90% of the core offer consistent; add ~10% local elements

Selective dark kitchens: multi-brand/day-part + labour efficiency

> *If you are able to have a terrace… an outdoor in the airport terminal, that is a great driver. People will be desperate to… have a dinner outdoors, looking at the planes taking off…"*
>
> Expert interview – European Airport Operator CFO

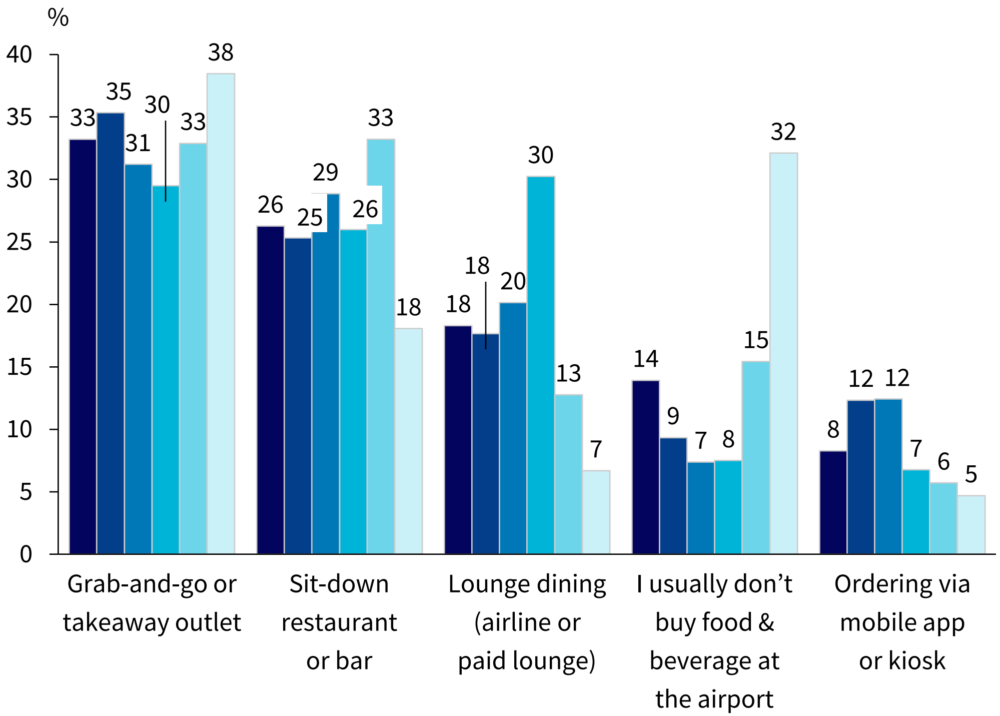
Source: Benoy expert interviews

UK passengers strongly over index on preferring sit-down restaurant and bar dining experiences, compared to the global average, with the most demanded F&B purchases being from grab-and-go or takeaway outlets, contradicting what we have heard from our expert interview stats

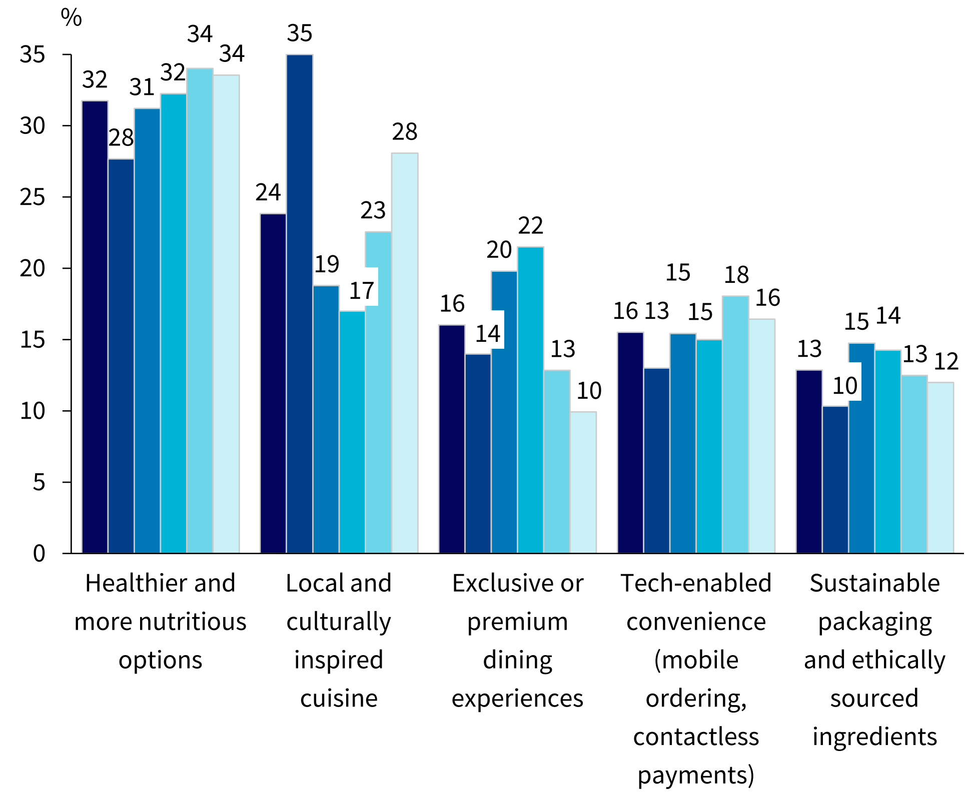
BENOY PULSE GLOBAL SURVEY 2025 | F&B TRENDS AT AIRPORTS

Global average, China, India, Middle East, UK, US

How do you typically purchase food & beverage at the airport?



Which of the following food and beverages (F&B) trends would encourage you to dine at an airport?

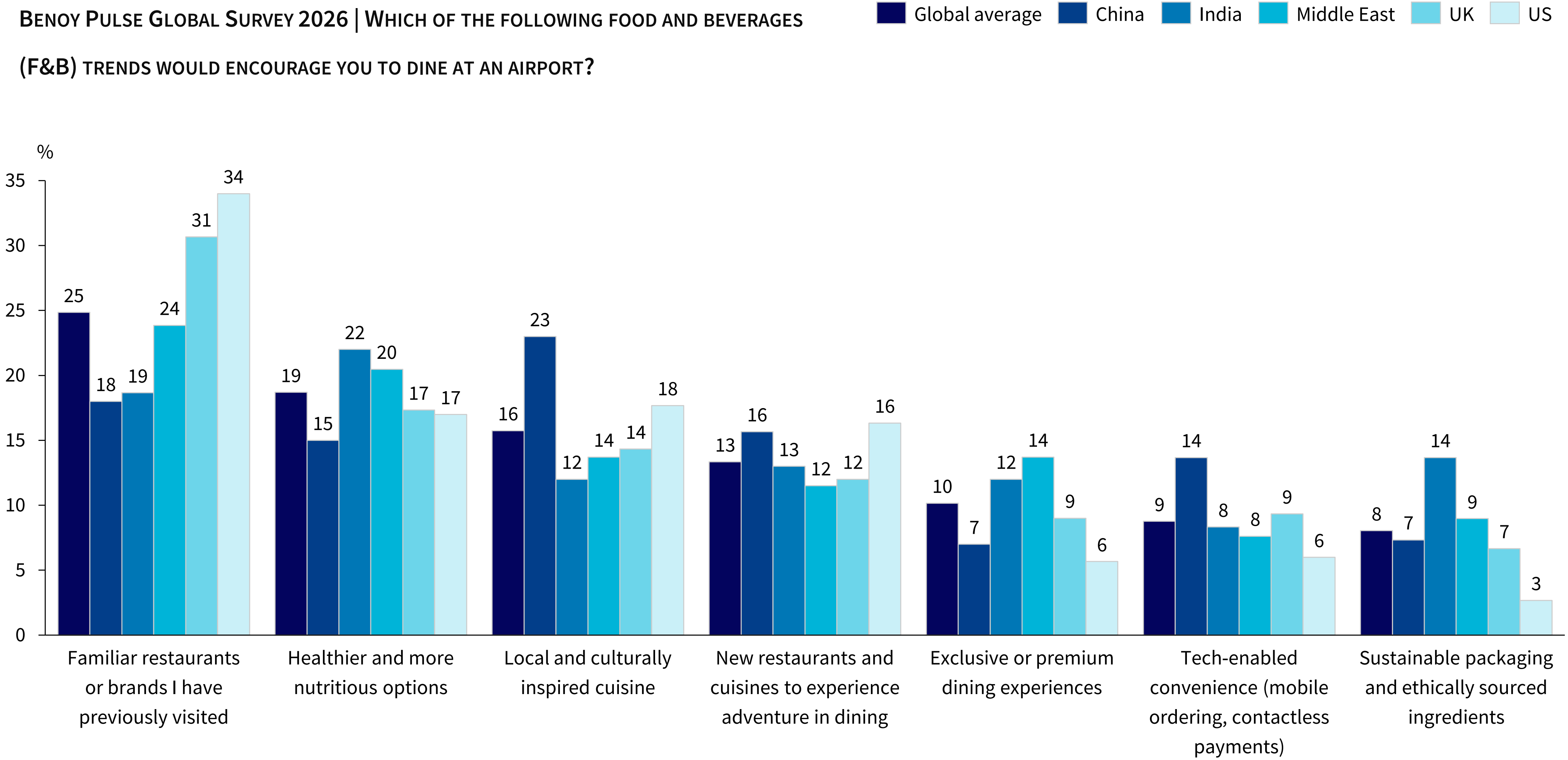


Source: Benoy Pulse Global Survey 2025

Note: This questionnaire includes a global consumer survey covering the UK, US, GCC, Saudi Arabia, India, and China with a total sample size of 1,600

UK and US passengers mostly favour restaurants they already know or have visited before, while Chinese passengers tend to prefer local cuisine and culturally inspired food which aligns our expert interview responses

BENOY PULSE GLOBAL SURVEY 2026 | WHICH OF THE FOLLOWING FOOD AND BEVERAGES (F&B) TRENDS WOULD ENCOURAGE YOU TO DINE AT AN AIRPORT?



Source: Benoy Pulse Global Survey 2026

Note: This questionnaire includes a global consumer survey covering the UK, US, GCC, Saudi Arabia, India, and China with a total sample size of 1,800

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