

ASX Release

8 November 2013

Dear Sydney Airport Investor,

Sydney Airport (SYD) – Reinstatement of Distribution Reinvestment Plan

I am writing to you, to inform you that your Board of Directors has resolved to reinstate the Distribution Reinvestment Plan (DRP) on a non-underwritten basis in time for the December 2013 distribution. It is proposed that the proceeds from the DRP will be utilised for capital management purposes.

The DRP discount if any will be determined after taking into account SYD's capital requirements and will be advised to the market approximately four weeks prior to each distribution record date for which the DRP is available.

The DRP is a convenient way for you to increase your holding in SYD by reinvesting all or some of your distributions in additional SYD stapled securities. By participating in the DRP you will not incur any brokerage, commission or stamp duty.

Participation in the DRP is entirely optional. You may elect to:

- i) participate fully in the DRP and all distributions will be reinvested into new SYD stapled securities;
- ii) participate partially in the DRP and distributions on a specified number or percentage of your securities will be reinvested into new SYD stapled securities. The distributions on the remaining stapled securities will be paid as a cash distribution; or
- iii) not participate in the DRP and continue to receive cash distributions, no response is required if you do not wish to participate.

Securityholders may have previously participated in the DRP prior to its suspension by the Board in December 2008. As the DRP has been suspended for more than two years each participant is deemed to have terminated their participation in the DRP irrespective of their election prior to suspension. All Securityholders that wish to participate in the DRP will need to complete the enclosed Notice of Election. You can start, cancel, restart or vary your participation in the DRP at any time by giving notice prior to 5pm on the distribution record dates.

On 25 October 2013, SYD announced that it was proposing a trust scheme under which a new company, Sydney Airport Limited, will acquire all of the SAT2 units currently held by Securityholders (Scheme). If the Scheme is approved at the meetings of Securityholders to be held on Friday, 22 November 2013 then:

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- a) each Securityholder will be issued one Sydney Airport Limited Share in exchange for each SAT2 Unit they currently hold;
- b) Securityholders will hold the same number of new Stapled Securities (comprising one SAT1 Unit stapled to one Sydney Airport Limited Share) as they hold existing stapled securities;
- c) Securityholders will hold the same proportionate interest in Sydney (Kingsford-Smith) Airport as they currently hold.

Further information in relation to the Scheme can be found in the Explanatory Memorandum dated 25 October 2013 sent to Securityholders and available online at www.sydneyairport.com.au.

If Securityholders elect to participate in the DRP and the Scheme is implemented, that election will continue to be valid in relation to new Stapled Securities following implementation of the Scheme. Securityholders should give careful consideration to the information provided in relation to the DRP and their individual financial situation and objectives before electing to participate in the DRP. Information to be provided in relation to the DRP has not been prepared to address the particular financial circumstances of individual Securityholders. Securityholders should consider obtaining their own investment, tax, accounting or other advice prior to making an election to participate.

SYD also advises that the Terms and Conditions of the DRP have been changed since the DRP was suspended in 2008. The changes are primarily to update the Terms and Conditions in light of the Scheme and other changes to the SYD group that have occurred since 2008.

The Notice of Election accompanies this letter, while the DRP Booklet setting out the amended Terms and Conditions of the Plan is available at www.sydneyairport.com.au/investors/stock-information/distributions.

The DRP is not available to security holders outside Australia and New Zealand, as is common amongst distribution reinvestment plans of ASX-listed entities.

If you require further information please contact the SYD investor relations team on 1800 102 368 (+61 2 9667 9871) or email investors@syd.com.au.

Yours sincerely



Max Moore-Wilton AC
Chairman
Sydney Airport

For further information, please contact:

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