

Flughafen Wien AG

Logistics - Austria



NuWays

by Hauck Aufhäuser Lampe

Hold (old: Hold)

13.09.2024

EUR 59.00 (old: EUR 59.00)

Record main travel season in the books

Yesterday, FWAG finished off the main travel season with solid August '24 traffic results, slightly better than expected. In detail:

In August, **group passenger numbers rose by 9% yoy** to 4.4m passengers (eNuW: 4.3m) driven by the busy travel season, particularly in Malta (+12% yoy) and Kosice (+23% yoy). The main contributor, Vienna (75% of group passengers), grew its passengers numbers by 7% yoy to 3.3m, also showing a solid improvement. - see p. 2 for details

Historic record in main travel season: While July '24 marked the strongest month in Vienna airport's history, August '24 has even beaten that young record. This concludes the most successful summer travel season with a combined passenger volume of 6.7m passengers (July & August) at Vienna airport in the two most busy months of the year.

YTD growth in line with peer group: FWAG's YTD passenger growth (10% yoy) compares well to its European peers (see p. 2). While Munich is showing catch up effects with YTD growth rates of 13.6% yoy it still lags behind its pre-crisis levels by 15%, whereas FWAG is 5% above 2019 levels. Athens on the other side seems to benefit from seasonally strong summer but also from an overall tourism boom over the last years, explaining both the strong YTD growth rate of 14% and its exceedance of 2019 levels by 23%.

Seasonality to slow growth momentum: Due to the upcoming begin of the winter season (Oct-Apr), we expect a sequential decline in both absolute passenger numbers and yoy growth rates for the next months (see p. 2). This should nonetheless lead to FY'24e group passengers of 41m (eNuW), implying a solid growth of 8% yoy.

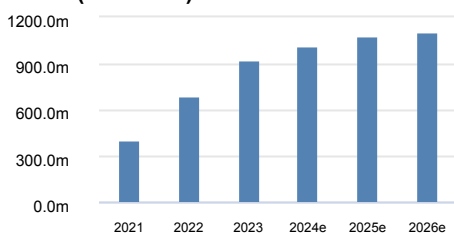
Following Q2 results, FWAG's share price has moved even closer towards our fair value **PT of € 59.00** (unchanged, based on DCF), further limiting the likelihood of share price hikes in the near-term, in our view.

Therefore, the stock remains a **HOLD**, as we regard current sound operating results well reflected by the current valuation.

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	407.0	692.7	931.5	1,019.6	1,077.8	1,115.2
Sales growth	22.0%	70.2%	34.5%	9.5%	5.7%	3.5%
EBITDA	154.4	295.9	393.6	425.2	456.2	477.1
Net debt (if net cash=0)	150.7	-149.1	-361.9	-402.3	-447.6	-490.5
FCF	45.1	277.1	287.0	151.1	177.3	191.6
Net Debt/EBITDA	1.0	0.0	0.0	0.0	0.0	0.0
EPS pro forma	0.05	1.26	2.01	2.38	2.68	2.83
EBITDA margin	37.9%	42.7%	42.2%	41.7%	42.3%	42.8%
ROCE	1.1%	9.1%	13.6%	14.2%	14.8%	14.8%
EV/sales	11.9	6.6	4.7	4.2	4.0	3.8
EV/EBITDA	31.4	15.4	11.1	10.2	9.4	8.9
PER	1106.0	42.9	26.9	22.6	20.1	19.1
Adjusted FCF yield	3.5%	7.9%	7.6%	6.6%	7.3%	7.8%

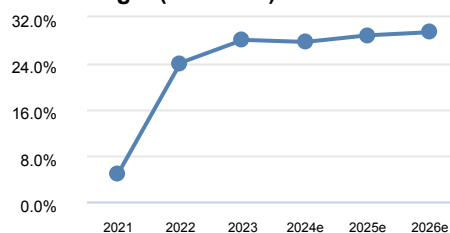
Source: Company data, NuWays, Close price as of 10.09.2024

Sales (2021-26e)



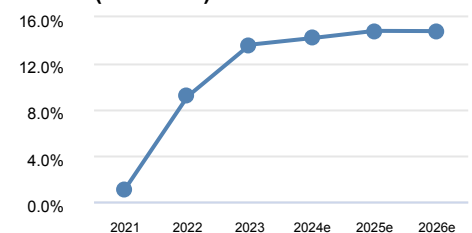
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

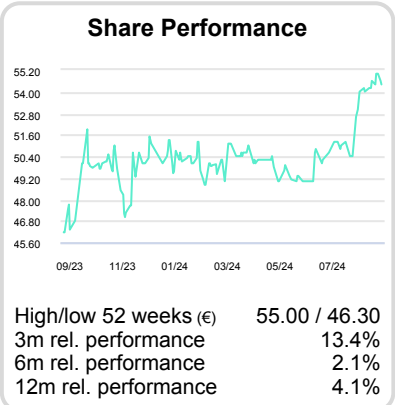
ROCE (2021-26e)



Source: NuWays Research

Company description

Flughafen Wien AG is the operator of Vienna International Airport VIE and holds strategic investments in the international airports Malta and Kosice.



Market data

Share price (in €)	54.40
Market cap (in € m)	4529.2
Number of shares (in m pcs)	83.9
Enterprise value (in € m)	4317.4
Ø trading volume (6 months)	3,986

Identifier

Bloomberg	FLU AV
Reuters	VIEV.VI
WKN	A2AMK9
ISIN	AT00000VIE62

Key shareholders

IFM	44.0%
State of Lower Austria	20.0%
City of Vienna	20.0%
Employee Foundation	10.0%
Free Float	6.0%

Estimates changes

	2024e	2025e	2026e
Sales	0%	0%	0%
EBIT	0%	0%	0%
EPS	0%	0%	0%

Comment on changes

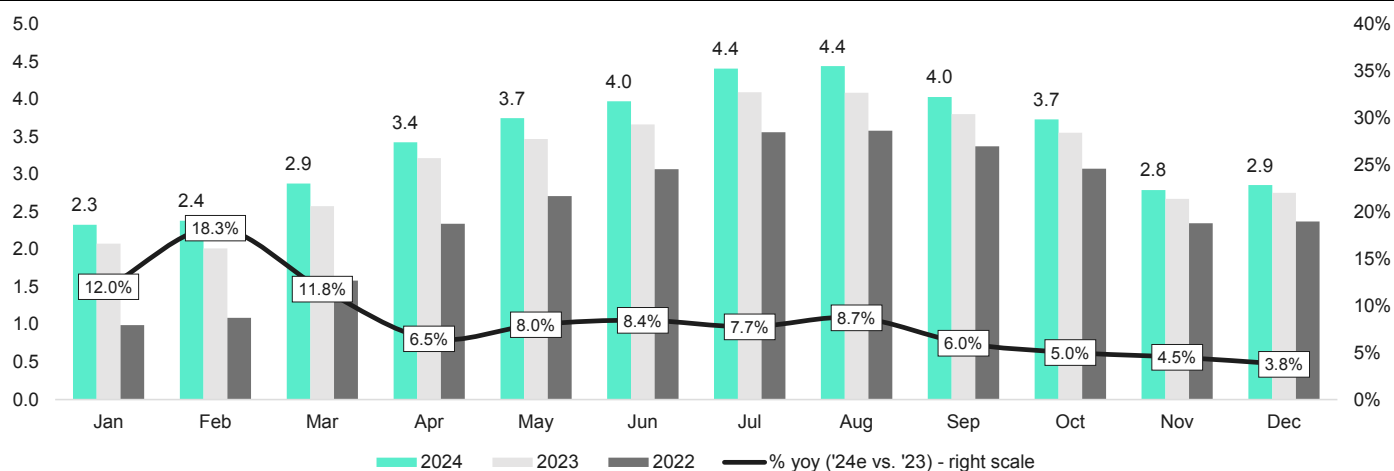
Guidance

- FY'24 Sales: > € 1bn
- FY'24 EBITDA: > € 400m
- FY'24 Net Income (b.m.): > € 220m

FWAG group passengers (in m)	8 2024	8 2024 eNuW	8 2023	yoy	group share	YTD 2024	YTD 2024 eNuW	YTD 2023	yoy	group share
Group Passengers	4.44	4.27	4.08	8.7%		27.57	27.40	25.18	9.5%	
- thereof Vienna	3.33	3.23	3.10	7.3%	75.0%	21.04	20.94	19.58	7.5%	76.3%
- thereof Malta	0.98	0.89	0.88	11.9%	22.1%	6.00	5.90	5.16	16.3%	21.8%
- thereof Kosice	0.13	0.15	0.10	22.9%	2.8%	0.53	0.55	0.44	18.0%	1.9%
Peer Group										
- Frankfurt	6.08		5.86	3.7%		40.87		38.75	5.5%	
- Munich	4.19		3.75	11.8%		27.33		24.07	13.6%	
- Zurich	3.10		2.92	6.0%		20.72		18.96	9.3%	
- Athens	3.64		3.30	10.5%		21.26		18.67	13.9%	

Source: Company data, Fraport, Flughafen München, Zurich Airport, AIA, NuWays

Estimated passenger development for 2024e (in m)



Source: Company data, NuWays // * only Sep-Dec '24 are our estimates

Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	407.0	692.7	931.5	1,019.6	1,077.8	1,115.2
<i>Sales growth</i>	22.0%	70.2%	34.5%	9.5%	5.7%	3.5%
Increase/decrease in finished goods and work-in-process	0.0	0.0	0.0	0.0	0.0	0.0
Total sales	407.0	692.7	931.5	1,019.6	1,077.8	1,115.2
Other operating income	23.8	20.3	10.1	10.0	10.0	11.0
Material expenses	29.8	44.5	54.1	57.5	65.6	68.4
Personnel expenses	196.7	272.3	349.4	401.9	408.6	417.5
Other operating expenses	49.9	100.3	144.7	145.0	157.4	163.2
Total operating expenses	252.6	396.8	538.0	594.4	621.6	638.1
EBITDA	154.4	295.9	393.6	425.2	456.2	477.1
Depreciation	134.1	131.1	131.8	142.3	144.8	148.8
EBITA	20.3	164.9	261.8	282.9	311.4	328.3
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Impairment charges	0.4	-2.3	0.0	0.0	0.0	0.0
EBIT (inc revaluation net)	20.0	167.2	261.8	282.9	311.4	328.3
Interest income	2.0	4.4	15.9	17.9	18.1	19.0
Interest expenses	13.1	13.5	20.4	2.1	2.1	2.1
Investment income	0.7	-0.2	0.4	0.0	0.0	0.0
Financial result	-10.4	-9.3	-4.1	15.7	16.0	16.8
Recurring pretax income from continuing operations	9.5	157.9	257.7	298.6	327.4	345.1
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	9.5	157.9	257.7	298.6	327.4	345.1
Income tax expense	2.9	29.8	69.1	74.6	75.3	79.4
Net income from continuing operations	6.6	128.1	188.6	223.9	252.1	265.7
Income from discontinued operations (net of tax)	0.0	0.0	0.0	0.0	0.0	0.0
Net income	6.6	128.1	188.6	223.9	252.1	265.7
Minority interest	2.9	20.2	20.1	23.9	26.9	28.4
Net profit (reported)	3.7	107.9	168.4	200.0	225.2	237.4
Average number of shares	83.9	83.9	83.9	83.9	83.9	83.9
EPS reported	0.04	1.29	2.01	2.38	2.68	2.83

Profit and loss (common size)	2021	2022	2023	2024e	2025e	2026e
Net sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
<i>Sales growth</i>	22.0%	70.2%	34.5%	9.5%	5.7%	3.5%
Increase/decrease in finished goods and work-in-process	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total sales	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Other operating income	5.8%	2.9%	1.1%	1.0%	0.9%	1.0%
Material expenses	7.3%	6.4%	5.8%	5.6%	6.1%	6.1%
Personnel expenses	48.3%	39.3%	37.5%	39.4%	37.9%	37.4%
Other operating expenses	12.3%	14.5%	15.5%	14.2%	14.6%	14.6%
Total operating expenses	62.1%	57.3%	57.8%	58.3%	57.7%	57.2%
EBITDA	37.9%	42.7%	42.2%	41.7%	42.3%	42.8%
Depreciation	32.9%	18.9%	14.1%	14.0%	13.4%	13.3%
EBITA	5.0%	23.8%	28.1%	27.7%	28.9%	29.4%
Amortisation of goodwill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Amortisation of intangible assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Impairment charges	0.1%	-0.3%	0.0%	0.0%	0.0%	0.0%
EBIT (inc revaluation net)	4.9%	24.1%	28.1%	27.7%	28.9%	29.4%
Interest income	0.5%	0.6%	1.7%	1.8%	1.7%	1.7%
Interest expenses	3.2%	1.9%	2.2%	0.2%	0.2%	0.2%
Investment income	0.2%	-0.0%	0.0%	0.0%	0.0%	0.0%
Financial result	neg.	neg.	neg.	1.5%	1.5%	1.5%
Recurring pretax income from continuing operations	2.3%	22.8%	27.7%	29.3%	30.4%	30.9%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	2.3%	22.8%	27.7%	29.3%	30.4%	30.9%
Tax rate	30.4%	18.9%	26.8%	25.0%	23.0%	23.0%
Net income from continuing operations	1.6%	18.5%	20.2%	22.0%	23.4%	23.8%
Income from discontinued operations (net of tax)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income	1.6%	18.5%	20.2%	22.0%	23.4%	23.8%
Minority interest	0.7%	2.9%	2.2%	2.3%	2.5%	2.5%
Net profit (reported)	0.9%	15.6%	18.1%	19.6%	20.9%	21.3%

Source: Company data, NuWays

Balance sheet (EUR m)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	165.6	159.2	156.2	156.2	156.2	156.2
Property, plant and equipment	1,403.9	1,339.2	1,324.3	1,391.9	1,462.1	1,533.3
Financial assets	191.8	189.5	182.2	182.2	182.2	182.2
FIXED ASSETS	1,761.3	1,687.9	1,662.7	1,730.3	1,800.5	1,871.7
Inventories	6.4	7.3	7.7	8.4	8.9	9.2
Accounts receivable	110.7	100.7	106.8	116.9	123.6	127.9
Other assets and short-term financial assets	14.2	0.0	0.0	0.0	0.0	0.0
Liquid assets	181.3	429.0	417.2	457.4	502.6	545.5
Deferred taxes	0.0	0.0	0.0	0.0	0.0	0.0
Deferred charges and prepaid expenses	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT ASSETS	312.5	537.1	531.7	582.7	635.0	682.6
TOTAL ASSETS	2,073.8	2,224.9	2,194.4	2,313.0	2,435.5	2,554.3

SHAREHOLDERS EQUITY	1,210.0	1,323.6	1,422.6	1,511.9	1,605.0	1,693.8
MINORITY INTEREST	104.5	124.9	133.9	157.8	184.7	213.0
Long-term liabilities to banks	280.6	200.0	0.0	0.0	0.0	0.0
Bonds (long-term)	0.0	0.0	0.0	0.0	0.0	0.0
other interest-bearing liabilities	0.0	54.8	55.3	55.0	55.0	55.0
Provisions for pensions and similar obligations	167.4	173.9	190.4	190.4	190.4	190.4
Other provisions and accrued liabilities	63.4	69.3	100.6	100.6	100.6	100.6
NON-CURRENT LIABILITIES	511.5	498.0	346.2	346.0	346.0	346.0
Short-term liabilities to banks	51.3	25.0	0.1	0.1	0.0	0.0
Accounts payable	29.8	35.3	39.0	44.7	47.2	48.9
Advance payments received on orders	0.0	0.0	0.0	0.0	0.0	0.0
Accrued taxes	8.0	32.2	71.5	71.5	71.5	71.5
Other liabilities (incl. from lease and rental contracts)	132.0	158.8	160.5	160.5	160.5	160.5
Deferred taxes	26.8	27.2	20.5	20.5	20.5	20.5
Deferred income	0.0	0.0	0.0	0.0	0.0	0.0
CURRENT LIABILITIES	247.8	278.5	291.7	297.4	299.9	301.5
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	2,073.8	2,224.9	2,194.4	2,313.0	2,435.5	2,554.3

Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	8.0%	7.2%	7.1%	6.8%	6.4%	6.1%
Property, plant and equipment	67.7%	60.2%	60.3%	60.2%	60.0%	60.0%
Financial assets	9.2%	8.5%	8.3%	7.9%	7.5%	7.1%
FIXED ASSETS	84.9%	75.9%	75.8%	74.8%	73.9%	73.3%
Inventories	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%
Accounts receivable	5.3%	4.5%	4.9%	5.1%	5.1%	5.0%
Other assets and short-term financial assets	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Liquid assets	8.7%	19.3%	19.0%	19.8%	20.6%	21.4%
Deferred taxes	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Deferred charges and prepaid expenses	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT ASSETS	15.1%	24.1%	24.2%	25.2%	26.1%	26.7%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	58.3%	59.5%	64.8%	65.4%	65.9%	66.3%
MINORITY INTEREST	5.0%	5.6%	6.1%	6.8%	7.6%	8.3%
Long-term liabilities to banks	13.5%	9.0%	0.0%	0.0%	0.0%	0.0%
Bonds (long-term)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
other interest-bearing liabilities	0.0%	2.5%	2.5%	2.4%	2.3%	2.2%
Provisions for pensions and similar obligations	8.1%	7.8%	8.7%	8.2%	7.8%	7.5%
Other provisions and accrued liabilities	3.1%	3.1%	4.6%	4.3%	4.1%	3.9%
NON-CURRENT LIABILITIES	24.7%	22.4%	15.8%	15.0%	14.2%	13.5%
Short-term liabilities to banks	2.5%	1.1%	0.0%	0.0%	0.0%	0.0%
Accounts payable	1.4%	1.6%	1.8%	1.9%	1.9%	1.9%
Advance payments received on orders	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Accrued taxes	0.4%	1.4%	3.3%	3.1%	2.9%	2.8%
Other liabilities (incl. from lease and rental contracts)	6.4%	7.1%	7.3%	6.9%	6.6%	6.3%
Deferred taxes	1.3%	1.2%	0.9%	0.9%	0.8%	0.8%
Deferred income	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CURRENT LIABILITIES	12.0%	12.5%	13.3%	12.9%	12.3%	11.8%
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company data, NuWays

Cash flow statement (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net profit/loss	17.9	137.4	188.6	223.9	252.1	265.7
Depreciation of fixed assets (incl. leases)	134.1	131.1	131.8	142.3	144.8	148.8
Amortisation of goodwill & intangible assets	0.0	0.0	0.0	0.0	0.0	0.0
Other costs affecting income / expenses	14.1	-1.1	1.4	0.0	0.0	0.0
Cash flow from operating activities	47.7	278.6	325.8	301.1	327.3	344.6
Increase/decrease in inventory	-0.4	-0.9	-0.3	-0.7	-0.5	-0.3
Increase/decrease in accounts receivable	-55.2	12.2	-6.1	-10.1	-6.7	-4.3
Increase/decrease in accounts payable	0.0	38.6	3.7	5.7	2.6	1.6
Increase/decrease in other working capital positions	0.0	0.0	0.0	0.0	0.0	0.0
Increase/decrease in working capital	-55.7	49.9	-2.7	-5.1	-4.6	-3.0
Cash flow from operating activities	105.7	337.6	384.8	361.1	392.3	411.6
CAPEX	60.7	60.5	97.8	210.0	215.0	220.0
Payments for acquisitions	0.1	0.0	0.0	0.0	0.0	0.0
Financial investments	-15.2	287.8	58.8	24.0	45.0	40.0
Income from asset disposals	6.7	43.9	0.0	0.0	0.0	0.0
Cash flow from investing activities	-38.8	-304.5	-156.6	-234.0	-260.0	-260.0
Cash flow before financing	66.9	33.1	152.5	16.4	0.3	3.0
Increase/decrease in debt position	-116.4	-51.6	-224.5	-0.3	-0.1	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	0.0	0.0	0.0	0.0	0.0	0.0
Dividends paid	0.0	0.0	75.7	110.7	132.0	148.6
Others	0.0	0.0	-1.3	0.0	0.0	0.0
Effects of exchange rate changes on cash	0.0	0.0	0.0	0.0	0.0	0.0
Cash flow from financing activities	-116.4	-51.6	-301.5	-111.0	-132.1	-148.6
Increase/decrease in liquid assets	-49.5	-18.4	-73.3	16.2	0.2	3.0
Liquid assets at end of period	123.6	105.2	31.9	48.1	48.2	51.2

Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis						
Sales growth	22.0%	70.2%	34.5%	9.5%	5.7%	3.5%
EBITDA growth	185.5%	91.7%	33.0%	8.0%	7.3%	4.6%
EBIT growth	-123.1%	737.8%	56.6%	8.0%	10.1%	5.4%
EPS growth	-105.1%	2787.8%	56.1%	18.8%	12.6%	5.4%
Efficiency						
Sales per employee	83.8	147.2	193.1	206.0	217.7	225.3
EBITDA per employee	31.8	62.9	81.6	85.9	92.2	96.4
No. employees (average)	4,858	4,704	4,823	4,950	4,950	4,950
Balance sheet analysis						
Avg. working capital / sales	17.7%	8.1%	8.7%	7.5%	7.5%	7.6%
Inventory turnover (sales/inventory)	5.7	3.9	3.0	3.0	3.0	3.0
Accounts receivable turnover	99.3	53.1	41.9	41.9	41.9	41.9
Accounts payable turnover	26.7	18.6	15.3	16.0	16.0	16.0
Cash flow analysis						
Free cash flow	45.1	277.1	287.0	151.1	177.3	191.6
Free cash flow/sales	11.1%	40.0%	30.8%	14.8%	16.4%	17.2%
FCF / net profit	252.6%	201.7%	152.2%	67.5%	70.3%	72.1%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	150.7	-149.1	-361.9	-402.3	-447.6	-490.5
Net Debt/EBITDA	1.0	0.0	0.0	0.0	0.0	0.0
Dividend payout ratio	0.0%	59.9%	65.7%	66.0%	66.0%	66.0%
Interest paid / avg. debt	3.8%	3.7%	10.5%	1.3%	3.9%	3.9%
Returns						
ROCE	1.1%	9.1%	13.6%	14.2%	14.8%	14.8%
ROE	0.3%	8.2%	11.8%	13.2%	14.0%	14.0%
Adjusted FCF yield	3.5%	7.9%	7.6%	6.6%	7.3%	7.8%
Dividend yield	0.0%	1.4%	2.4%	2.9%	3.3%	3.5%
DPS	0.0	0.8	1.3	1.6	1.8	1.9
EPS reported	0.04	1.29	2.01	2.38	2.68	2.83
Average number of shares	83.9	83.9	83.9	83.9	83.9	83.9
Valuation ratios						
P/BV	3.7	3.4	3.2	3.0	2.8	2.7
EV/sales	11.9	6.6	4.7	4.2	4.0	3.8
EV/EBITDA	31.4	15.4	11.1	10.2	9.4	8.9
EV/EBIT	242.9	27.2	16.6	15.3	13.7	12.9

Source: Company data, NuWays

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Company	Disclosures
Flughafen Wien AG	2

Historical target price and rating changes for Flughafen Wien AG

Company	Date	Analyst	Rating	Target Price	Close
Flughafen Wien AG	12.07.2024	Wendisch, Henry	Hold	EUR 59.00	EUR 50.20
	13.03.2024	Wendisch, Henry	Hold	EUR 58.00	EUR 50.20
	28.02.2024	Wendisch, Henry	Hold	EUR 57.00	EUR 50.00
	18.01.2024	Wendisch, Henry	Hold	EUR 52.00	EUR 49.55
	16.11.2023	Wendisch, Henry	Hold	EUR 46.00	EUR 49.70

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The adj. FCF method is based on the assumption that investors purchase assets only at a price (enterprise value) at which the operating cash flow return after taxes on this investment exceeds their opportunity costs in the form of a hurdle rate of 7.5%. The operating cash flow is calculated as EBITDA less maintenance capex and taxes.

Within the framework of the DCF approach, the future free cash flows are calculated initially on the basis of a fictitious capital structure of 100% equity, i.e. interest and repayments on debt capital are not factored in initially. The adjust-

ment towards the actual capital structure is done by discounting the calculated free cash flows with the weighted average cost of capital (WACC), which takes into account both the cost of equity capital and the cost of debt. After discounting, the calculated total enterprise value is reduced by the interest-bearing debt capital in order to arrive at the equity value.

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According to Article 4(1) No. i of the delegated regulation 2016/958 supplementing regulation 596/2014 of the European Parliament, further information regarding investment recommendations of the last 12 months are published under: www.nuways-ag.com

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