

Hold (old: Hold)

20.01.2025

EUR 60.00 (old: EUR 60.00)

FY 2025 guidance out and in line with expectations

Topic: Last Friday, FWAG released Dec'24 traffic results and issued a passenger and financial guidance for 2025, which arrived in line with our expectations. In detail:

2025 guidance in line with estimates: Despite a weak macroeconomic outlook in Austria and the western European destinations, demand for air travel should remain stable thanks to the prioritization of travel at the expense cutting spending at other discretionary. Therefore, the company expects **passengers of approx. 42m** (eNuW: 42.3m, +2% yoy) on group level for 2025. Thereof, the majority is expected at its core asset **VIE with c. 32m passengers** (eNuW: 32.2m, + 1.5% yoy) and the rest (c. 10m) at MAL (eNuW: 9.3m, +4% yoy) and KSC (eNuW: 0.8m, +6% yoy). Consequently, sales should grow proportionate to passengers, as the company guides for sales of **approx. € 1.08bn** (eNuW: € 1.08bn), whereas **EBITDA is seen at approx. € 440m** (eNuW: € 439m), implying a slight margin decline by 0.7pp yoy (eNuW) as the collective labour agreement will likely increase personnel expenses more than sales. On the other hand, net income is guided for **approx. € 230m (eNuW: € 231m)** at a constant margin (eNuW: -0.1pp yoy), thanks to a positive financial result. **CAPEX is expected at € 300m** (eNuW old: € 210m, new: € 310m) whereof **€ 120m is dedicated for the south expansion of terminal 3** and the remaining € 180m should be mostly cyclical maintenance CAPEX at VIE and MAL (eNuW) which we anticipated much lower. Mind you, no additional funds are needed, as **FWAG generates more than sufficient operating cash flow** (eNuW: € 373m) to **finance the current CAPEX cycle** without endangering the dividend.

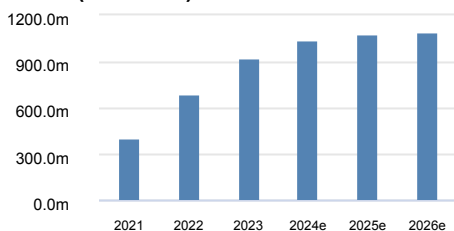
December traffic results slightly ahead of expectation: For Dec'24, we expected 2.93m passengers on group level (VIE: 2.28m, MAL 0.61m, KSC 0.04), however FWAG reported 3.01m passengers (VIE: 2.38m, MAL: 0.59m, KSC: 0.04m). Our 100k underestimation stems from a better than expected holiday travel season at VIE, which saw a growth of 9% yoy (eNuW: +4% yoy). This finished off a very successful 2024 with a **new record of 41.41m passengers** (VIE: 31.72, MAL: 8.96m, KSC: 0.74m), which **surpassed the pre-COVID levels of 2019 by 5%**.

The final decision regarding the 3rd runway project is expected to come no later than FY'26e (see [update from 9th October 2024](#)), which should serve as a pivotal moment for the company's future and thus a share price catalyst. Until then, we reiterate our **HOLD recommendation with unchanged PT of € 60.00** as FWAG's shares are currently fairly valued (upside only 13%), in our view.

Y/E 31.12 (EUR m)	2021	2022	2023	2024e	2025e	2026e
Sales	407.0	692.7	931.5	1,038.0	1,082.8	1,098.3
Sales growth	22.0%	70.2%	34.5%	11.4%	4.3%	1.4%
EBITDA	154.4	295.9	393.6	428.6	439.4	432.1
Net debt (if net cash=0)	150.7	-149.1	-361.9	-432.4	-363.2	-295.1
FCF	45.1	277.1	287.0	181.2	62.3	67.9
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	2.46	2.33
EBITDA margin	37.9%	42.7%	42.2%	41.3%	40.6%	39.3%
ROCE	1.1%	9.1%	13.6%	14.4%	14.2%	12.9%
EV/sales	11.7	6.5	4.6	4.1	4.0	4.0
EV/EBITDA	31.0	15.2	10.9	9.8	9.8	10.1
PER	1089.6	42.3	26.5	22.4	21.7	22.8
Adjusted FCF yield	4.2%	8.7%	8.3%	6.9%	6.4%	6.4%

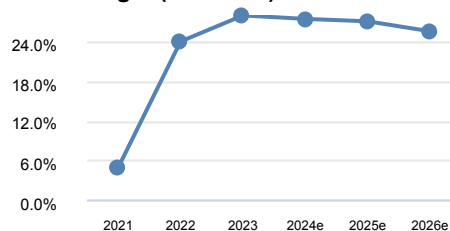
Source: Company data, NuWays, Close price as of 17.12.2024

Sales (2021-26e)



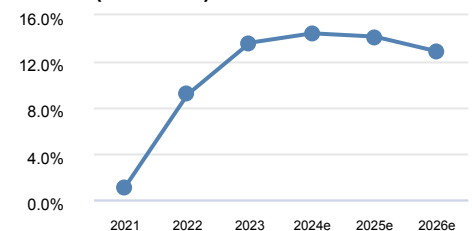
Source: NuWays Research

EBIT margin (2021-26e)



Source: NuWays Research

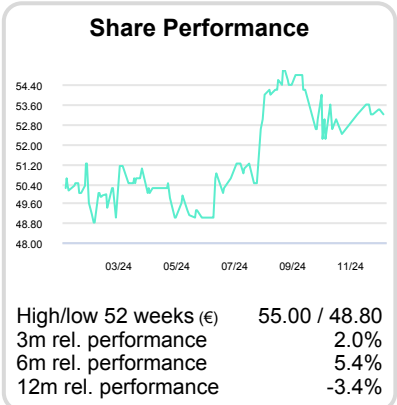
ROCE (2021-26e)



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 €)	53.20
Market cap (in € m)	4462.1
Number of shares (in m pcs)	83.9
Enterprise value (in € m)	4289.4
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

- CAPEX estimate raised to reflect higher than expected maintenance CAPEX at VIE and growth CAPEX at MAL

Guidance

- FY'25 Sales: c. € 1.08bn
- FY'25 EBITDA: c. € 440m
- FY'25 Net Income (b.m.): c. € 230m

Financials

Profit and loss (EUR m)	2021	2022	2023	2024e	2025e	2026e
Net sales	407.0	692.7	931.5	1,038.0	1,082.8	1,098.3
<i>Sales growth</i>	22.0%	70.2%	34.5%	11.4%	4.3%	1.4%
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	1,038.0	1,082.8	1,098.3
Other operating income	23.8	20.3	10.1	13.0	12.0	11.0
Material expenses	29.8	44.5	54.1	57.5	59.5	60.6
Personnel expenses	196.7	272.3	349.4	401.9	426.3	443.5
Other operating expenses	49.9	100.3	144.7	163.0	169.6	173.0
Total operating expenses	252.6	396.8	538.0	609.4	643.4	666.2
EBITDA	154.4	295.9	393.6	428.6	439.4	432.1
Depreciation	134.1	131.1	131.8	142.3	144.8	150.0
EBITA	20.3	164.9	261.8	286.3	294.6	282.1
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	286.3	294.6	282.1
Interest income	2.0	4.4	15.9	17.9	11.5	8.4
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	9.4	6.2
Recurring pretax income from continuing operations	9.5	157.9	257.7	302.0	304.0	288.4
Extraordinary income/loss	0.0	0.0	0.0	0.0	0.0	0.0
Earnings before taxes	9.5	157.9	257.7	302.0	304.0	288.4
Income tax expense	2.9	29.8	69.1	78.5	73.0	69.2
Net income from continuing operations	6.6	128.1	188.6	223.5	231.1	219.2
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	223.5	231.1	219.2
Minority interest	2.9	20.2	20.1	24.2	25.0	23.7
Net profit (reported)	3.7	107.9	168.4	199.3	206.0	195.4
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	2.46	2.33

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%	11.4%	4.3%	1.4%
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%	1.3%	1.1%	1.0%
Material expenses	7.3%	6.4%	5.8%	5.5%	5.5%	5.5%
Personnel expenses	48.3%	39.3%	37.5%	38.7%	39.4%	40.4%
Other operating expenses	12.3%	14.5%	15.5%	15.7%	15.7%	15.7%
Total operating expenses	62.1%	57.3%	57.8%	58.7%	59.4%	60.7%
EBITDA	37.9%	42.7%	42.2%	41.3%	40.6%	39.3%
Depreciation	32.9%	18.9%	14.1%	13.7%	13.4%	13.7%
EBITA	5.0%	23.8%	28.1%	27.6%	27.2%	25.7%
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%	27.6%	27.2%	25.7%
Interest income	0.5%	0.6%	1.7%	1.7%	1.1%	0.8%
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%	0.9%	0.6%
Recurring pretax income from continuing operations	2.3%	22.8%	27.7%	29.1%	28.1%	26.3%
Extraordinary income/loss	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Earnings before taxes	2.3%	22.8%	27.7%	29.1%	28.1%	26.3%
Tax rate	30.4%	18.9%	26.8%	26.0%	24.0%	24.0%
Net income from continuing operations	1.6%	18.5%	20.2%	21.5%	21.3%	20.0%
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%	21.5%	21.3%	20.0%
Minority interest	0.7%	2.9%	2.2%	2.3%	2.3%	2.2%
Net profit (reported)	0.9%	15.6%	18.1%	19.2%	19.0%	17.8%

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	1,371.9	1,537.1	1,687.1
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	1,710.3	1,875.5	2,025.5
Inventories	6.4	7.3	7.7	8.5	8.9	9.0
Accounts receivable	110.7	100.7	106.8	119.0	124.2	125.9
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	487.5	418.2	350.1
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	615.0	551.2	485.1
TOTAL ASSETS	2,073.8	2,224.9	2,194.4	2,325.4	2,426.8	2,510.6

SHAREHOLDERS EQUITY	1,210.0	1,323.6	1,422.6	1,511.1	1,585.6	1,645.1
MINORITY INTEREST	104.5	124.9	133.9	158.1	183.1	206.8
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	112.6	112.6	112.6
NON-CURRENT LIABILITIES	511.5	498.0	346.2	358.0	358.0	358.0
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	45.5	47.5	48.1
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	298.2	300.1	300.7
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY	2,073.8	2,224.9	2,194.4	2,325.4	2,426.8	2,510.6

Balance sheet (common size)	2021	2022	2023	2024e	2025e	2026e
Intangible assets	8.0%	7.2%	7.1%	6.7%	6.4%	6.2%
Property, plant and equipment	67.7%	60.2%	60.3%	59.0%	63.3%	67.2%
Financial assets	9.2%	8.5%	8.3%	7.8%	7.5%	7.3%
FIXED ASSETS	84.9%	75.9%	75.8%	73.6%	77.3%	80.7%
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%	21.0%	17.2%	13.9%
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%	26.4%	22.7%	19.3%
TOTAL ASSETS	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SHAREHOLDERS EQUITY	58.3%	59.5%	64.8%	65.0%	65.3%	65.5%
MINORITY INTEREST	5.0%	5.6%	6.1%	6.8%	7.5%	8.2%
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%	7.6%
Other provisions and accrued liabilities	3.1%	3.1%	4.6%	4.8%	4.6%	4.5%
NON-CURRENT LIABILITIES	24.7%	22.4%	15.8%	15.4%	14.8%	14.3%
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%	2.0%	2.0%	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%	6.4%
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%	12.8%	12.4%	12.0%
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	223.5	231.1	219.2
Depreciation of fixed assets (incl. leases)	134.1	131.1	131.8	142.3	144.8	150.0
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	65.3	297.7	350.9	316.2	284.3	287.9
Increase/decrease in inventory	-0.4	-0.9	-0.3	-0.9	-0.4	-0.1
Increase/decrease in accounts receivable	-55.2	12.2	-6.1	-12.2	-5.1	-1.8
Increase/decrease in accounts payable	0.0	38.6	3.7	6.5	2.0	0.7
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	-6.6	-3.5	-1.2
Cash flow from operating activities	105.7	337.6	384.8	371.2	372.3	367.9
CAPEX	60.7	60.5	97.8	190.0	310.0	300.0
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	-49.3	-50.0
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	-214.0	-260.7	-250.0
Cash flow before financing	66.9	33.1	152.5	46.5	-19.9	-18.1
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	131.5	136.0
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	-131.6	-136.0
Increase/decrease in liquid assets	-49.5	-18.4	-73.3	46.3	-20.0	-18.1
Liquid assets at end of period	123.6	105.2	31.9	78.2	58.2	40.1

Key ratios (EUR m)	2021	2022	2023	2024e	2025e	2026e
P&L growth analysis						
Sales growth	22.0%	70.2%	34.5%	11.4%	4.3%	1.4%
EBITDA growth	185.5%	91.7%	33.0%	8.9%	2.5%	-1.7%
EBIT growth	-123.1%	737.8%	56.6%	9.3%	2.9%	-4.2%
EPS growth	-105.1%	2787.8%	56.1%	18.3%	3.4%	-5.2%
Efficiency						
Sales per employee	83.8	147.2	193.1	209.7	218.7	221.9
EBITDA per employee	31.8	62.9	81.6	86.6	88.8	87.3
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%	7.4%	7.7%
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	181.2	62.3	67.9
Free cash flow/sales	11.1%	40.0%	30.8%	17.5%	5.8%	6.2%
FCF / net profit	252.6%	201.7%	152.2%	81.1%	27.0%	31.0%
Capex / sales	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Solvency						
Net debt	150.7	-149.1	-361.9	-432.4	-363.2	-295.1
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%	14.4%	14.2%	12.9%
ROE	0.3%	8.2%	11.8%	13.2%	13.0%	11.9%
Adjusted FCF yield	4.2%	8.7%	8.3%	6.9%	6.4%	6.4%
Dividend yield	0.0%	1.4%	2.5%	2.9%	3.0%	2.9%
DPS	0.0	0.8	1.3	1.6	1.6	1.5
EPS reported	0.04	1.29	2.01	2.38	2.46	2.33
Average number of shares	83.9	83.9	83.9	83.9	83.9	83.9
Valuation ratios						
P/BV	3.7	3.4	3.1	3.0	2.8	2.7
EV/sales	11.7	6.5	4.6	4.1	4.0	4.0
EV/EBITDA	31.0	15.2	10.9	9.8	9.8	10.1
EV/EBIT	239.6	26.8	16.4	14.7	14.6	15.4

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	13.12.2024	Wendisch, Henry	Hold	EUR 60.00	EUR 53.40
	16.10.2024	Wendisch, Henry	Hold	EUR 61.00	EUR 52.20
	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

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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-

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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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Contacts

NuWays AG

Mittelweg 16-17
20148 Hamburg
Germany

+49 170 119 8648
info@nuways-ag.com
www.nuways-ag.com



Christian Sandherr

Co-CEO/Analyst

christian.sandherr@nuways-ag.com



Frederik Jarchow

Co-CEO/Analyst

frederik.jarchow@nuways-ag.com



Philipp Sennewald

Analyst

philipp.sennewald@nuways-ag.com



Henry Wendisch

Analyst

henry.wendisch@nuways-ag.com



Mark Schüssler

Analyst

mark-hendrik.schuessler@nuways-ag.com



Konstantin Völk

Analyst

konstantin.voelk@nuways-ag.com

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