



## Rating Action: Moody's assigns (P)A3 rating to Aena's new EMTN Programme

---

27 Jul 2023

Madrid, July 27, 2023 – Moody's Investors Service (Moody's) has today assigned a provisional (P)A3 long term senior unsecured rating to Aena S.M.E., S.A.'s ("Aena") new EUR3 billion EMTN programme.

### RATINGS RATIONALE

The provisional (P)A3 rating of the EMTN programme is aligned with the A3 long term issuer rating of Aena, recognizing that the notes issued under the programme will be senior unsecured obligations and will rank equally with all other unsecured and unsubordinated present and future obligations of the issuer.

Moody's expects Aena to complete its inaugural bond issuance under the EMTN programme over the next months, the proceeds of which will be used for general corporate purposes.

Aena's A3 issuer rating reflects Moody's expectation that the company's funds from operations (FFO)/debt ratio will remain comfortably above 15% over the next eighteen months, which is the level commensurate with the current rating.

The rating is also underpinned by the strong traffic performance of the company. Following a strong traffic rebound during 2022, with passenger volumes reaching 88.5% of the 2019 level (+ 103% year-on-year), in the first half of 2023 Aena recorded 129.4 million passengers. This corresponds to +1.2% compared with the same period of 2019 and positions Aena as the top performer among Moody's rated European airports.

Despite macroeconomic challenges and cost of living pressures, Moody's expects Aena's traffic to remain at or slightly above pre-pandemic levels in full-year 2023. More specifically, Aena's traffic recovery is sustained by strong pent-up travel demand, the attractiveness of Spain as an international tourist destination and the company's traffic profile, which benefits from a high share of domestic and short-haul Intra-European traffic (90% of total traffic as of December 2019).

Aena's A3 issuer rating reflects a view of its standalone credit quality expressed as an a3 Baseline Credit Assessment (BCA) and the company's rating is maintained at one notch above the sovereign rating of Spain (Baa1 stable). Although Moody's categorises Aena as a Government-Related Issuer, with Moderate dependency and Moderate support scores, the assigned rating does not include any uplift for the possibility of extraordinary government support, given the company's BCA is already positioned above the rating of the government of Spain.

More generally, Aena's long-term issuer rating continues to reflect (1) its very strong market position as the owner and operator of a network of airports serving the entire needs of Spain; (2) a balanced regulatory settlement; (3) a diversified carrier base with a high proportion of origin and destination traffic and international passengers; (4) its well invested airports, with sufficient spare capacity; (5) its competitive aviation charges and (6) a strong financial profile.

### LIQUIDITY AND DEBT COVENANTS

As of end of June 2023, Aena benefits from a very strong liquidity position. Moody's estimates that the company's sources of committed liquidity include (1) cash and cash equivalents of €1,028 million and (2) €94.5 million of available financing with maturity up to 12 years. Additionally, in June 2023, Aena signed a €2.0 billion sustainable revolving credit facility, currently undrawn, with maturity in 2028. In addition to this liquidity, the company also has capacity to

issue up to €900 million under its uncommitted Euro Commercial Paper (ECP) programme, fully undrawn.

Aena's debt documentation includes two financial covenants - a Net financial Debt/EBITDA of 7.0x and an EBITDA/financial expenses ratio of 3.0x tested annually as of end of June and end of December, on a historical basis. Following the impact of Covid-19, starting from December 2020 the company obtained covenant waivers up to June 2023. Nevertheless, from June 2022 onward, Aena returned to be in compliance with the financial covenants.

Similarly, London Luton (Luton)'s debt, which represents around 5% of Aena's consolidated debt, is subject to financial covenants under its financing agreements. Considering the material reduction of EBITDA over the 2020-21 period, the company also exceeded the covenants but it was able to secure temporary waivers up to 30 June 2022. The waiver agreement was not extended as Luton began to comply with the financial covenants as of end of June 2022.

## RATING OUTLOOK

The outlook is stable reflecting the expectation the Aena's credit metrics will remain comfortably above the mid-teens in percentage terms, on a sustained basis. The stable outlook also reflects the stable outlook on the Government of Spain and the fact that Aena's rating is constrained by the sovereign rating.

## FACTORS THAT COULD LEAD TO AN UPGRADE OR DOWNGRADE OF THE RATING

Downward pressure on Aena's rating could develop if the company's FFO/debt ratio were to decline below the mid-teens in percentage terms on a sustained basis or there were concerns around its liquidity position. In addition, a deterioration in the Spanish sovereign creditworthiness could result in a downwards adjustment of Aena's rating.

## PRINCIPAL METHODOLOGIES

The methodologies used in this rating were Government-Related Issuers Methodology published in February 2020 and available at <https://ratings.moody.com/rmc-documents/64864>, and Privately Managed Airports and Related Issuers published in September 2017 and available at <https://ratings.moody.com/rmc-documents/63380>. Alternatively, please see the Rating Methodologies page on <https://ratings.moody.com> for a copy of these methodologies.

## PROFILE

Aena is the largest airport operator group in the world by number of passengers by virtue of its control of most airport facilities in Spain. Aena operates 46 airports and 2 heliports in Spain, which together handled 243.7 million passengers in the 12 months to December 2022. Through its subsidiary Aena Internacional, Aena has a controlling stake in the company holding the concession rights for the operation of London Luton airport, the fourth largest airport serving the UK capital. The group's scope of consolidation also includes seventeen airports in Brazil, accounting for around 20% of the country's total traffic in 2022. Lastly, Aena holds equity stakes in companies operating airports in Mexico, Jamaica and Colombia. Aena is majority owned (51%) by the government of Spain.

## REGULATORY DISCLOSURES

For further specification of Moody's key rating assumptions and sensitivity analysis, see the sections Methodology Assumptions and Sensitivity to Assumptions in the disclosure form. Moody's Rating Symbols and Definitions can be found on <https://ratings.moody.com/rating-definitions>.

For ratings issued on a program, series, category/class of debt or security this announcement provides certain regulatory disclosures in relation to each rating of a subsequently issued bond or note of the same series, category/class of debt, security or pursuant to a program for which the ratings are derived exclusively from existing ratings in accordance with Moody's rating practices. For ratings issued on a support provider, this announcement provides certain regulatory disclosures in relation to the credit rating action on the support provider and in relation to

each particular credit rating action for securities that derive their credit ratings from the support provider's credit rating. For provisional ratings, this announcement provides certain regulatory disclosures in relation to the provisional rating assigned, and in relation to a definitive rating that may be assigned subsequent to the final issuance of the debt, in each case where the transaction structure and terms have not changed prior to the assignment of the definitive rating in a manner that would have affected the rating. For further information please see the issuer/deal page for the respective issuer on <https://ratings.moodys.com>.

For any affected securities or rated entities receiving direct credit support from the primary entity(ies) of this credit rating action, and whose ratings may change as a result of this credit rating action, the associated regulatory disclosures will be those of the guarantor entity. Exceptions to this approach exist for the following disclosures, if applicable to jurisdiction: Ancillary Services, Disclosure to rated entity, Disclosure from rated entity.

The rating has been disclosed to the rated entity or its designated agent(s) and issued with no amendment resulting from that disclosure.

This rating is solicited. Please refer to Moody's Policy for Designating and Assigning Unsolicited Credit Ratings available on its website <https://ratings.moodys.com>.

Regulatory disclosures contained in this press release apply to the credit rating and, if applicable, the related rating outlook or rating review.

Moody's general principles for assessing environmental, social and governance (ESG) risks in our credit analysis can be found at [https://ratings.moodys.com/documents/PBC\\_1288235](https://ratings.moodys.com/documents/PBC_1288235).

The Global Scale Credit Rating on this Credit Rating Announcement was issued by one of Moody's affiliates outside the UK and is endorsed by Moody's Investors Service Limited, One Canada Square, Canary Wharf, London E14 5FA under the law applicable to credit rating agencies in the UK. Further information on the UK endorsement status and on the Moody's office that issued the credit rating is available on <https://ratings.moodys.com>.

Please see <https://ratings.moodys.com> for any updates on changes to the lead rating analyst and to the Moody's legal entity that has issued the rating.

Please see the issuer/deal page on <https://ratings.moodys.com> for additional regulatory disclosures for each credit rating.

Corrado Trippa  
Vice President - Senior Analyst  
Infrastructure Finance Group  
Moody's Investors Service Espana, S.A.  
Calle Principe de Vergara, 131, 6 Planta  
Madrid, 28002  
Spain  
JOURNALISTS: 44 20 7772 5456  
Client Service: 44 20 7772 5454

Andrew Blease  
Associate Managing Director  
Infrastructure Finance Group  
JOURNALISTS: 44 20 7772 5456  
Client Service: 44 20 7772 5454

Releasing Office:  
Moody's Investors Service Espana, S.A.  
Calle Principe de Vergara, 131, 6 Planta

Madrid, 28002

Spain

JOURNALISTS: 44 20 7772 5456

Client Service: 44 20 7772 5454

---

© 2023 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved.

CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED BY MOODY'S (COLLECTIVELY, "PUBLICATIONS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S PUBLICATIONS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S PUBLICATIONS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT CONSTITUTE OR PROVIDE INVESTMENT OR FINANCIAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES ITS PUBLICATIONS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND PUBLICATIONS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR PUBLICATIONS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND PUBLICATIONS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY

**PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED BENCHMARK.**

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating process or in preparing its Publications.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

**NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.**

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay to Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it fees ranging from \$1,000 to approximately \$5,000,000. MCO and Moody's Investors Service also maintain policies and procedures to address the independence of Moody's Investors Service credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at [www.moody.com](http://www.moody.com) under the heading "Investor Relations — Corporate Governance — Director and Shareholder Affiliation Policy."

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for Japan only: Moody's Japan K.K. ("MJKK") is a wholly-owned credit rating agency subsidiary of

Moody's Group Japan G.K., which is wholly-owned by Moody's Overseas Holdings Inc., a wholly-owned subsidiary of MCO. Moody's SF Japan K.K. ("MSFJ") is a wholly-owned credit rating agency subsidiary of MJKK. MSFJ is not a Nationally Recognized Statistical Rating Organization ("NRSRO"). Therefore, credit ratings assigned by MSFJ are Non-NRSRO Credit Ratings. Non-NRSRO Credit Ratings are assigned by an entity that is not a NRSRO and, consequently, the rated obligation will not qualify for certain types of treatment under U.S. laws. MJKK and MSFJ are credit rating agencies registered with the Japan Financial Services Agency and their registration numbers are FSA Commissioner (Ratings) No. 2 and 3 respectively.

MJKK or MSFJ (as applicable) hereby disclose that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by MJKK or MSFJ (as applicable) have, prior to assignment of any credit rating, agreed to pay to MJKK or MSFJ (as applicable) for credit ratings opinions and services rendered by it fees ranging from JPY100,000 to approximately JPY550,000,000.

MJKK and MSFJ also maintain policies and procedures to address Japanese regulatory requirements.