

# AIRPORTS

Sectorial Note

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## Passengers confirm slower growth pace

- Passengers at the airports operated in Mexico by Asur, Gap, and Oma, continued to reflect a solid performance, although with moderate advances given the normalized base
- Regarding total operations (including those outside of Mexico), Asur registered a 23.1% hike in passenger growth, Gap a 18.6% advance, and Oma a 22.2% increase
- Even though traffic was slightly lower-than-expected, we believe good demand dynamism shall continue. We will keep an eye on 2Q22 reports and any outlook updates

In June, the total number of passengers of the 3 airport groups recorded an annual increase of 18.6% (airports operated in Mexico). Considering a normalized base, a slowdown in passenger's increase y/y was registered despite the strong demand. Thus, total passengers at the airports operated in Mexico increased by 18.6% y/y (vs. 24.8% in May), being slightly below our 21.0% estimate. Domestic passengers (representing 62.1% of the total) increased 18.9% y/y, while the international passengers grew 18.1% y/y.

Individually, Asur showed a 23.1% y/y growth, including a 20.0% y/y increase in Mexico's passengers. In San Juan, Puerto Rico, traffic surprised negatively by dropping 5.8% annually, while Colombia continued with solid numbers by jumping 66.0% y/y. In turn, Gap recorded a total passenger advance during June of 18.6% y/y. Passenger traffic from the airports it operates in Mexico, excluding Montego Bay Airport in Jamaica (+38.3% y/y, already surpassing pre-pandemic figures by representing 100.4% of June 2019) and Kingston Airport (+13.0% m/m), had an annual increase of 16.0%. Finally, Oma presented a growth of 22.2% y/y in passengers.

Total passenger variations of Asur, Gap, and Oma of the LTM were placed at 85.1%, 58.0%, and 59.0% (July 2021 – June 2022), compared to the LTM of May of 107.8%, 71.6%, and 73.2% (June 2021 – May 2022), respectively.

### Corporate News

- Gap mentioned that during the month two new routes were opened and the volume of seats offered increased 23.7% y/y, while the load factor was placed at 81.6% vs. 77.6% in June 2021.
- Oma reported that one new route began to operate: Monterrey–Las Vegas by Frontier.

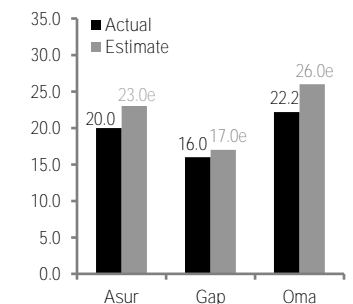
Airport Sector

Stock	Rating	PT	P. Return 22e*
Asur	Buy	\$483.50	20.1%
Gap	Hold	\$300.00	4.5%
Oma	Buy	\$158.00	24.5%

\*Includes estimated dividend and/or capital reduction

Stock	FV/EBITDA LTM	FV/EBITDA 22e
Asur	10.7x	9.8x
Gap	12.9x	12.0x
Oma	10.7x	9.0x

Passenger traffic in Mexico – June 2022 % y/y



Source: Banorte.

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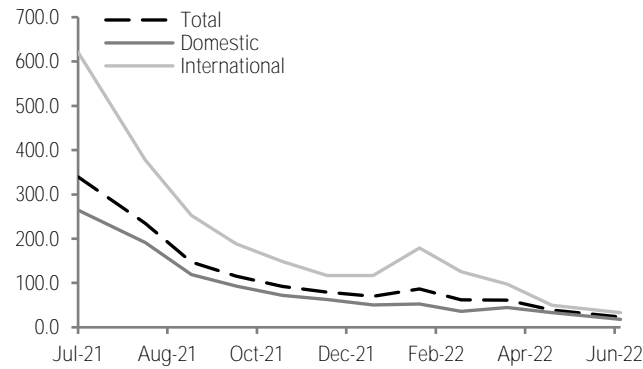
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**Conclusion...** Although passengers at airports operated in Mexico by private groups presented a slightly lower-than-expected dynamism, we believe the demand performance will continue to be favorable in the upcoming months. Considering all operations, including those outside of Mexico, once again Asur stood out for achieving the highest annual growth, followed by Oma, and finally, Gap which we recall was the most resilient during the pandemic. Given the challenging environment, we foresee the sector as defensive due to the solid growth outlook for the year and companies' attractive valuations. In turn, it will be relevant to know the groups' comments when they publish their 2Q22 reports in the following weeks. In our institutional portfolio, we have exposure to Asur with a PT of MXN 483.50 per share with a Buy recommendation, to Gap with a PT of MXN 300.00 with a Hold recommendation. As well as to Oma, with a PT is MXN 158.00 per share, and we have a Buy recommendation.

## June passenger traffic

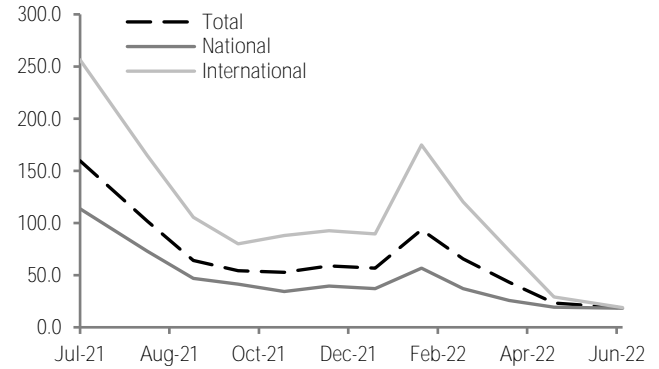
The following graphs show the evolution of the airport groups' total passengers over the last 12 months (percentage variation y/y) and the performance shares vs. S&P/BMV IPC.

Asur – Passenger traffic – Last 12 Months  
% y/y



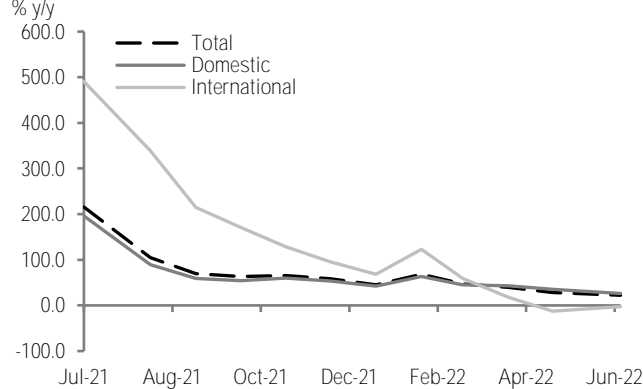
Source: Asur, Banorte / Variations include the LMM Airport and the airports in Colombia (Airplan)

Gap – Passenger traffic – Last 12 Months  
% y/y



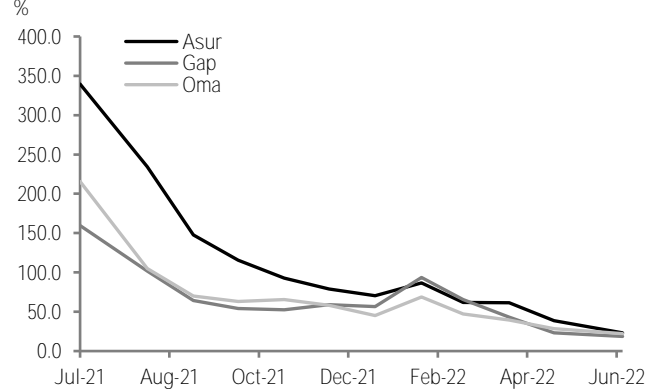
Source: Gap, Banorte / Variations include MBJ and Kingston airports

Oma – Passenger traffic – Last 12 Months  
% y/y



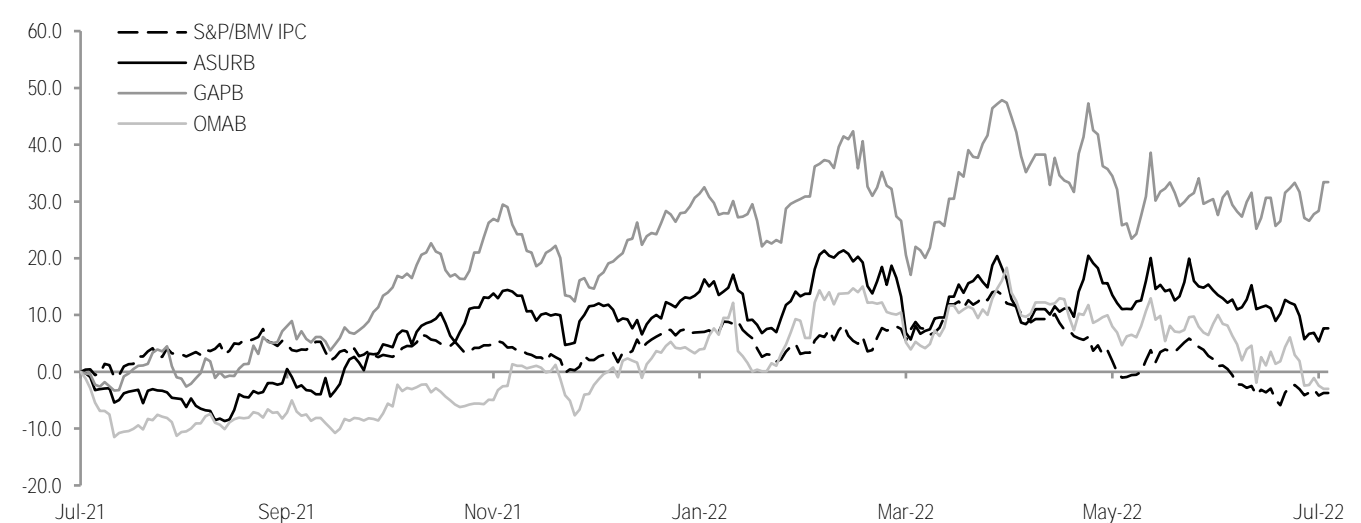
Source: Oma, Banorte

Total traffic passengers– Asur, Gap y Oma– Last 12 Months  
%



Source: Banorte / Asur variations include the LMM airport and the airports in Colombia (Airplan). Gap variations include MBJ and Kingston airports

MEXBOL and airports return  
Last 12 months, %



Source: Banorte

## Sector comparison – Figures at June 2022

MXN, Millions	Asur	Gap	Oma
Passengers LTM.	60.3	51.2	20.9
% y/y	85.1%	58.0%	59.0%
Sales LTM. (Ex IFRS 17)	\$18,106	\$17,960	\$7,615
% y/y	133.6%	118.0%	112.3%
Operating Income LTM.	\$10,744	\$10,747	\$4,695
% y/y	367.2%	293.3%	275.9%
EBITDA LTM.	\$12,377	\$12,859	\$5,195
% y/y	231.9%	170.5%	206.5%
Net Income LTM.	\$7,232	\$7,428	\$3,190
% y/y	600.2%	1393.0%	486.6%
Operating Margin LTM.	59.3%	59.8%	61.7%
% y/y	29.7%	26.7%	26.8%
EBITDA Margin LTM.	68.4%	71.6%	68.2%
% y/y	20.2%	13.9%	21.0%
Net Margin LTM.	39.9%	41.4%	41.9%
% y/y	26.6%	35.3%	26.7%
<b>Metrics per passenger</b>			
Sales/Pax	\$300.2	\$351.1	\$363.6
Operating Income/Pax	\$178.2	\$210.1	\$224.1
EBITDA/Pax	\$205.2	\$251.4	\$248.0
Net Income/Pax	\$119.9	\$145.2	\$152.3
<b>Valuation</b>			
FV/EBITDA LTM.	10.7x	12.9x	10.7x
FV/EBITDA 22e	9.8x	12.0x	9.0x
FV/EBITDA Av. 1y.	19.1x	19.2x	18.0x
FV/EBITDA Av. 3y.	15.5x	16.2x	14.8x
FV/EBITDA LTM Av. Sector (Domestic)	11.4x	11.4x	11.4x
FV/EBITDA 22e Av Sector (Domestic)	10.3x	10.3x	10.3x
Estimate vs. Sector (Domestic)	-4.3%	16.8%	-12.4%
LTM. vs. Sector (Domestic)	-6.2%	12.6%	-6.5%
22e vs. Av. 3y.	-36.6%	-25.7%	-39.1%
FV/EBITDA LTM Av. (International peers <sup>1</sup> )		17.3x	
FV/EBITDA 22e Av. (International peers <sup>1</sup> )		14.0x	
P/BV	2.5x	7.1x	6.6x
P/E	16.7x	20.2x	15.5x
<b>Market</b>			
Current Price	\$402	\$294	\$128
Return LTM.	7.7%	33.4%	-3.0%
Return 2021	28.4%	27.0%	7.1%
Return 2022	-4.8%	4.2%	-7.0%
Market Cap. (US\$ million)	\$5,844	\$7,265	\$2,391
Shares Outstanding	300	511	386
Float %	63%	85%	70%
Floating Market Cap. (US\$ million)	\$3,672	\$6,175	\$1,674

Source: Banorte / Bloomberg (07/06/22). \*The operating results are gathered from the consolidated Financial Statements. It should be mentioned that Asur has a 60% share of the operations of Puerto Rico and Gap has 74.5% of MBJ.

<sup>1</sup> Aena SME, Aeroports de Paris, Flughafen Wien AG, Fraport AG, Hainan Meilan International.

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