STANDARD & POOR'S RATING SERVICES CONFIRMS CREDIT RATING OF MOSCOW DOMODEDOVO AIRPORT AT ‘??+’

News / Finance

On 16 November, 2015 the company’s **credit rating** was confirmed on the as-is level, which reflects S&P’s opinion of the confident position of **Domodedovo Airport** in the face of market challenges.

According to Standard & Poor's assessment, Moscow Domodedovo Airport is characterised by a stable market position based on high passenger traffic numbers and absence of infrastructure-related limitations for development of the airport complex. It demonstrates a significant upside the airport has in terms of ramping up traffic volumes.

In the opinion of the agency’s analysts, Domodedovo Airport has a strong potential to reach leading positions by passenger traffic volumes among airports of the Moscow Aviation Hub, as it has unique infrastructure – two independent runways and parcels of land for prospective development of the airport, including for construction of new runways. To illustrate the point, 16,000 ha have been reserved for DME’s development, with 9,000 ha out of this land bank dedicated to construction of runways and around 7,000 ha to commercial and production facilities.

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The agency estimates the airport's financial risks as insignificant based on Domodedovo's commitment to make capital investments in development of airport capacities, e.g. expansion of the passenger terminal, and at the same time adhere to a conservative strategy regarding the debt-to-equity ratio, keeping significant maneuvering leeway and optimising the capital structure.

Moscow Domodedovo Airport carries out an active investment policy aimed at development of the airport complex by a number of focal points. The ongoing project for reconstruction of the passenger terminal and construction of the second phase of the terminal (T2) will enable the company to almost double the area of Domodedovo Airport passenger terminal – up to 500,000 sq.m. Work on expansion of the terminal capacities and development of the landside area in from the terminal and adjacent territories is constantly underway. Earlier, as part of the prospective development of the airport terrain, the company raised a 5-year EUR 38 mln credit facility from Raiffeisen Bank International AG for construction of a multi-level car park with an area of 125,000 sq.m.

Moscow Domodedovo Airport is the largest aviation harbor in Russia, the airport served for 33.04 million people in 2014. It is the best airport in Russia and CIS according to Skytrax. Leading airline alliance members such as Star Alliance and oneworld chosen Domodedovo for flights to Moscow.

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