Autobahnen-und Schnellstrassen-Finanzierungs-AG

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This report does not constitute a rating action.

Credit Highlights

Overview

Key strengths	Key risks
Almost certain likelihood of receiving timely and sufficient extraordinary support from the Austrian government if needed.	Limited financial flexibility, due to the tight legal, planning, and control framework imposed by the Austrian government.
Undisputed monopoly position as Austria's motorway operation and construction company.	Rating contingent on perceived government support.
Euro medium-term note (EMTN) program supported by a full, explicit, unconditional, and irrevocable guarantee from the Austrian government.	Sizable debt.

S&P Global Ratings believes that the legal framework for Autobahnen- und Schnellstrassen-Finanzierungs-AG (ASFINAG) will continue to allow the company to fully finance its operations. We continue to view the likelihood of extraordinary government support for ASFINAG from Austria (AA+/Stable/A-1+) as almost certain. This leads us to equalize the ratings on ASFINAG with those on Austria.

ASFINAG's importance for the Austrian government is underpinned by its monopoly position in providing financing, construction, maintenance, and operation for the country’s entire network of motorways and high-speed roads. The company is incorporated under the ASFINAG Law, which states that the Austrian government is responsible for ensuring that ASFINAG can finance its operations and capital investments.

We currently do not see any transition risk regarding ASFINAG's role for and link with the government. We believe that there is no doubt regarding the Austrian government's continuous willingness and propensity to support ASFINAG, as outlined in our assessment of ASFINAG's critical role for and integral link with its sole owner, the government of Austria.

Outlook

The stable outlook on our rating reflects our assessment of the creditworthiness of the company's sole owner and guarantor, the government of Austria. Any rating action on Austria would lead us to also reassess our rating on ASFINAG. We also consider ASFINAG's strategic importance for the government and expect that the likelihood of extraordinary support, the guarantee, and the legal framework for ASFINAG will not change significantly. We believe the company will maintain its monopoly position and that there is no risk of privatization.

Downside scenario

We would lower our rating on ASFINAG if we lowered our rating on Austria. A change in our assessment of the likelihood of support from the Austrian federal government would also trigger a downgrade. Should there be a change in law, privatization plans, or a refusal of future guarantees, we could reassess the company's role for and link with the government. However, we currently view these developments as unlikely.

Upside scenario

We could raise the rating on ASFINAG if Austria's creditworthiness strengthened, leading to a positive rating action on the sovereign, and the likelihood of support for ASFINAG remained almost certain.

Rationale

Our view of an almost certain likelihood that ASFINAG would receive timely and support extraordinary support from the Austrian government if needed stems from our assessment of the company's:

- Critical role for Austria as the sole agent for the construction and operation of the country's motorways and high-speed road network;
- Integral link with the government as a wholly-owned subsidiary that is subject to a tight legal, planning, and control framework; and
- Provision of a key public service on behalf of the Austrian government that could not be immediately undertaken by another entity.

In our assessment, we do not separately assign a stand-alone credit profile for ASFINAG because we view the likelihood of extraordinary government support as unlikely to change and we currently see no transition risk with respect to ASFINAG's role for and link with the Austrian government.

The company is incorporated under the ASFINAG Law, which states that the Austrian government is responsible for ensuring that ASFINAG has sufficient funds at all times to protect its liquidity and equity to pursue its agreed activities. The Austrian government, as the company's sole owner, exercises operational, management, and financial control over ASFINAG and approves its budget, which substantially increases the degree of effective government control of and support for ASFINAG.

Every year, the Austrian ministry of finance, in cooperation with ASFINAG, sets a maximum amount for the company's refinancing and new issuance for the following year. This amount is incorporated in the federal financing law and covers ASFINAG's financing needs adequately. In 2025, this includes €2 billion for capital financing and €2 billion for interest and other related expenditures.

ASFINAG is generally able to fully finance its construction program with its own cash flows and typically needs to tap capital markets only to refinance maturing debt via its EMTN program, the company's main source of debt financing. According to the terms of the program, the Republic of Austria provides full, explicit, unconditional, and irrevocable guarantees for all note issues, which are ranked as equal to the regular bond issues by the government. Per Austria's budget law, the program is to be updated for a one-year period whenever ASFINAG plans new issuances. The EMTN program was last updated in July 2024 and a new review is planned for the second half of 2025, when more maturities will need refinancing.

High investment levels amid economic slowdown expected to dampen profits

ASFINAG recorded strong results in 2024 despite the government's decision to freeze regular toll price adjustments based on inflationary growth in the previous period and stagnant economic activity in Austria more broadly. Although revenue increased marginally, amid significant inflationary pressure, investment levels were about €110 million higher than the previous year and personnel costs increased by about €30 million. Nevertheless, the company posted profit of €733 million, which, although 13 percentage points lower than the previous year, was still higher than the company’s projected profit of €660 million.

The outlook for 2025 and 2026 is characterised by the expectation of lower profit levels. Although toll prices have been adjusted for inflation, traffic indicators suggest that the economic downturn will continue to impact revenue generation. Another important factor is the Austrian government's decision to increase ASFINAG's dividend payments by €50 million to €305 million per year from 2025. The new master plan for the period 2025-2030 anticipates significant investment levels, with expenditure set to exceed €2 billion for the first time next year. ASFINAG plans to invest about €11.8 billion in infrastructure by 2030.

The substantial investments, coupled with increases in revenue, are likely to moderately increase debt levels compared to the previous master plan, pushing the company’s debt to about €11.5 billion by 2027. In 2024, ASFINAG issued a 10-year bond at a fixed interest rate of 2.75 percent per annum to refinance long-term debt maturities. The next significant maturity, amounting to €1.5 billion, is due in 2025. Average long-term interest rates are increasing and we expect this to impact refinancing costs. However, we do not anticipate this having an impact on the rating in the medium term, as it is based on ASFINAG's relationship with the Austrian government.

ASFINAG's fundamental role and stable legal framework are unlikely to change

ASFINAG is an incorporated company that is fully owned by Austria's federal government, as is required by the ASFINAG Law. Founded in 1982, the company was reformed and given its present structure and function in 1997. ASFINAG is a monopoly responsible for the financing, construction, maintenance, and operation of Austria's network of motorways and high-speed roads.

According to contractual agreements, ASFINAG has the unlimited usufruct (the legal right to use and derive profit or benefit from property that belongs to another, as long as the property is not damaged) over Austria's motorways and high-speed road network, although both remain the property of Austria. This entitles the company to the revenue generated from the road network, namely through tolls, usage fees, fines issued, and the operation of service areas. The contract is of unlimited duration and ASFINAG has the right to cancel the contract at the end of each quarter, with a three-month notice period, should the government set tolls at a level the company considers unsustainable. If ASFINAG cancels the usufruct contract, the government would have to assume the liabilities resulting from ASFINAG's obligations, as defined in the contract.

The majority of members on ASFINAG's supervisory board are appointed by the government, which also approves the company's budget. The government directly controls large parts of ASFINAG's expenditure and revenue, and thereby also its profitability and its ability to control its debt. In addition, ASFINAG's construction expenditure is effectively controlled through the government's right to set targets for construction and safety measures. The company follows a multi-year investment program for construction and maintenance that is coordinated and agreed with the Austrian government. Both the government and ASFINAG are increasingly focused on a sustainable energy transition, for example through aiming to run the national road network self-sufficiently with renewable energy sources by 2030. To this end, ASFINAG plans to build renewable energy plants along the road network throughout Austria, demonstrating the company's commitment to future proofing and modernising its operations.

ASFINAG's revenue is generally predictable under most circumstances, owing to moderate but continuous traffic growth over the cycle. Toll price adjustments are regulated by law (Bundesmautstraßengesetz) but volume projections depend on ASFINAG's assumptions, which can affect revenue projections. Toll revenue projections (stickers, truck, and other tolls) are generally indexed according to the harmonized consumer price index, although adjustments are contingent on final confirmation by the government.

Political discussions on how to use ASFINAG's profits, which are currently allocated to new road construction, are relatively frequent. However, at present, we do not see this as having any implications on ASFINAG's status as one of Austria's most important government-related entities. In our view, a change in the company's setup to an extent that could have an impact on our ratings is unlikely over the medium term.

Related Criteria

- General Criteria: Environmental, Social, And Governance Principles In Credit Ratings, Oct. 10, 2021
- General Criteria: Methodology For Linking Long-Term And Short-Term Ratings, April 7, 2017
- General Criteria: Rating Government-Related Entities: Methodology And Assumptions, March 25, 2015
- General Criteria: Principles Of Credit Ratings, Feb. 16, 2011

Related Research

- Austria Outlook Revised To Stable From Positive On Fiscal And Economic Challenges; 'AA+/A-1+' Ratings Affirmed, Feb. 14, 2025
- Sovereign Risk Indicators, April 10, 2025

Ratings Detail (as of June 24, 2025)*

Autobahnen-und Schnellstrassen-Finanzierungs-AG	
Issuer Credit Rating	AA+/Stable/A-1+
Issuer Credit Ratings History	

Ratings Detail (as of June 24, 2025)*	
18-Feb-2025	AA+/Stable/A-1+
27-Aug-2024	AA+/Positive/A-1+
29-Aug-2022	AA+/Stable/A-1+
01-Mar-2022	AA+/Positive/A-1+

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.