

### **MTU Maintenance Zhuhai's joint venture contract extended by 20 years**

- **MTU Aero Engines and China Southern extend contract to 2051**
- **2,500<sup>th</sup> engine delivered from MTU Maintenance Zhuhai**

Zhuhai, November 6, 2018 – MTU Aero Engines AG and China Southern Air Holding Company Limited have extended their joint venture contract for its joint engine MRO facility, MTU Maintenance Zhuhai, by 20 years to 2051.

“MTU Maintenance Zhuhai is the number one engine shop in China and the largest narrowbody engine shop in Asia,” says Michael Schreyögg, Chief Program Officer, MTU Aero Engines. “We plan to build on this success long-term and this is a clear signal to the market that MTU is committed to Asia.” MTU Maintenance Zhuhai is also in the process of expanding the facility by 50 percent for the second time in less than ten years. Capacity will be increased from 300 to 450 shop visits per year by 2021.

MTU Maintenance Zhuhai is a 50-50 joint venture between the two companies and was set up 2001. It services V2500 and CFM56 engines and the 2,500<sup>th</sup> engine through the shop, a V2500 has just been redelivered.

Launched with an initial investment of 189 million USD and a capacity of 200 engines per year, the company is spread over 156,000 square meters of land in the Zhuhai Free Trade Zone, close to Hong Kong and Macao. MTU Maintenance Zhuhai is equipped with a state-of-the-art machine pool and a highly modern test cell accommodating engines up to 150,000 pounds of thrust. The shop holds roughly 20 approvals, amongst others from the CAAC (Civil Aviation Administration of China), the European EASA (European Aviation Safety Agency), the US-FAA (Federal Aviation Authority) and the by JCAB (Japanese Civil Aviation Bureau).

### **About MTU Aero Engines**

MTU Aero Engines AG is Germany's leading engine manufacturer, with core competencies in low-pressure turbines, high-pressure compressors, turbine center frames, manufacturing processes and repair techniques. MTU plays a key role in the new engine market through its partnerships in many international development, manufacturing and sales programs, to which it contributes its high-tech components. One third of the global fleet of passenger airliners relies on components supplied by MTU. MTU is one of the world's top 5 providers of maintenance services for commercial aircraft engines and industrial gas turbines. These activities are combined under the roof of MTU Maintenance. In the military sector, MTU Aero Engines is the lead industrial partner for almost every type of engine flown by the German armed forces. MTU operates affiliates around the globe; its corporate headquarters are based in Munich, Germany. In fiscal 2017, the company had a workforce of some 10,000 employees and posted consolidated sales of approximately five billion euros.



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