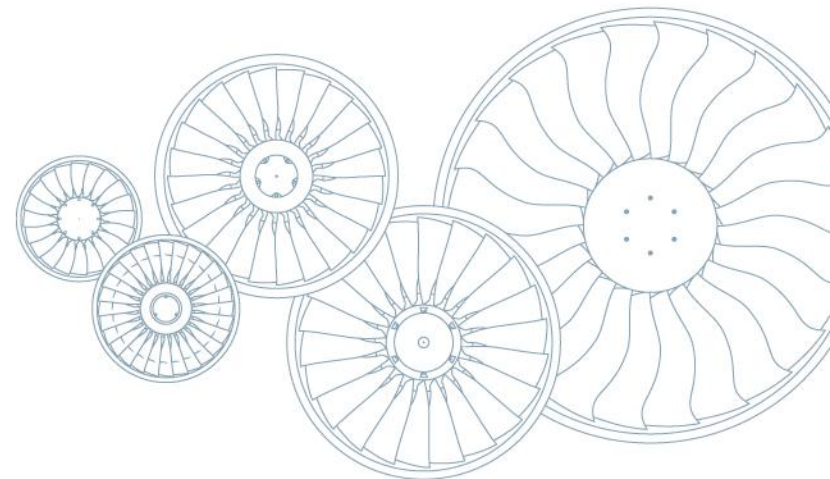




Preliminary FY 2014 Results - MTU Aero Engines

Conference Call with Investors and Analysts
12 February 2015



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Guidance 2014 Exceeded – Group Revenues at New Record Level

in m€	FY 2013	Guidance 2014 Update October	FY 2014
Revenues	3,574.1	~ 3,750	3,914 ✓
EBIT adj.	377.4 10.6%	~ 380	383 9.8% ✓
Net income adj.	238.6	~ 250	253 ✓

Business Highlights 2014

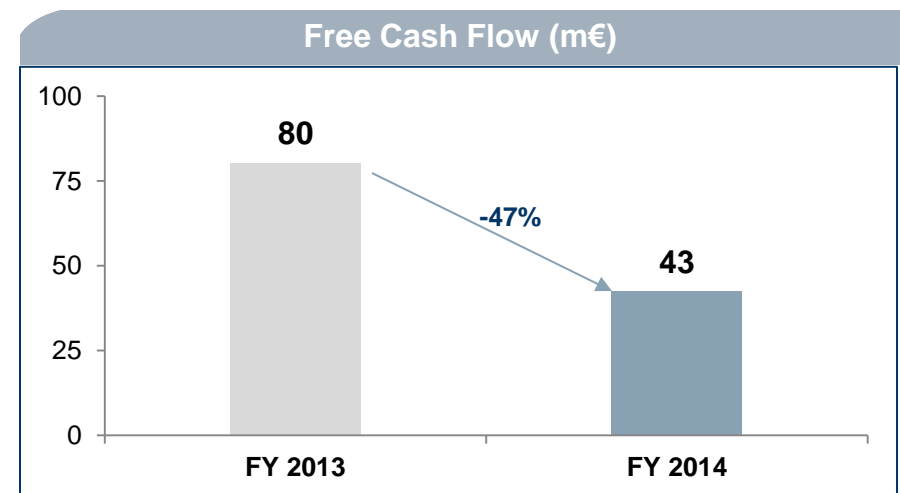
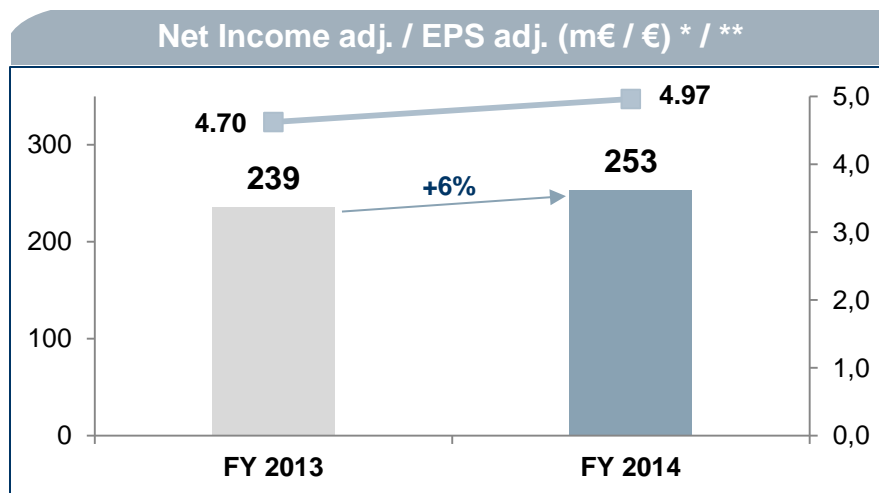
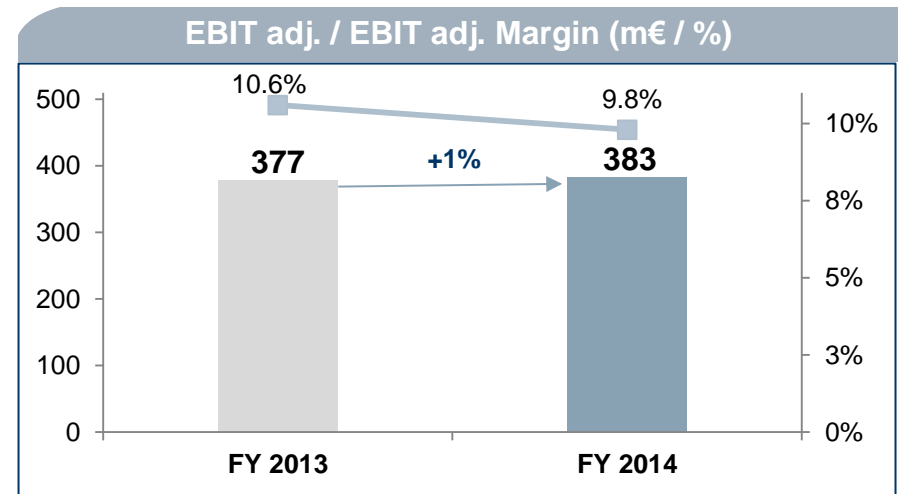
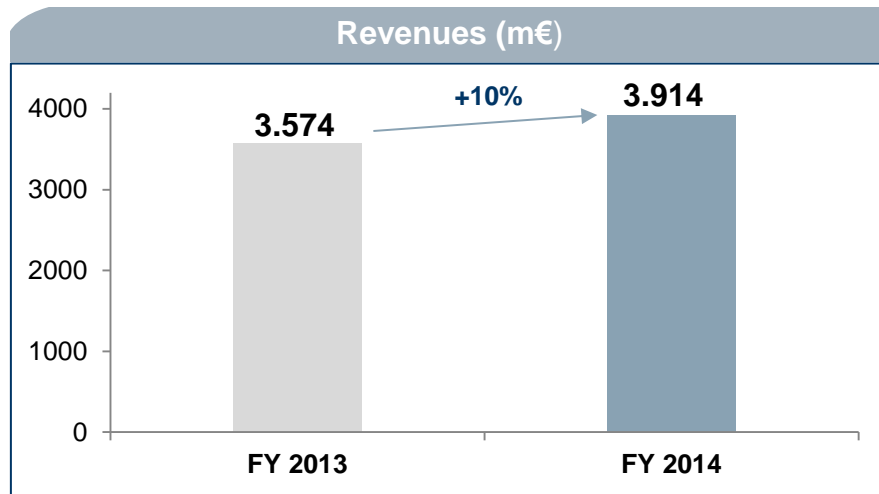
- IATA passenger traffic up 5.9% ytd. in 2014
- Encouraging outlook for 2015
- Falling oil price will improve profitability of airlines
- Favorable development of US\$ rate
- Market position in all thrust ranges improved
- Further strengthening of MRO market position
- Development & Ramp-up for new programs on track
- 2014 results at new record level



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Financial Highlights 2014

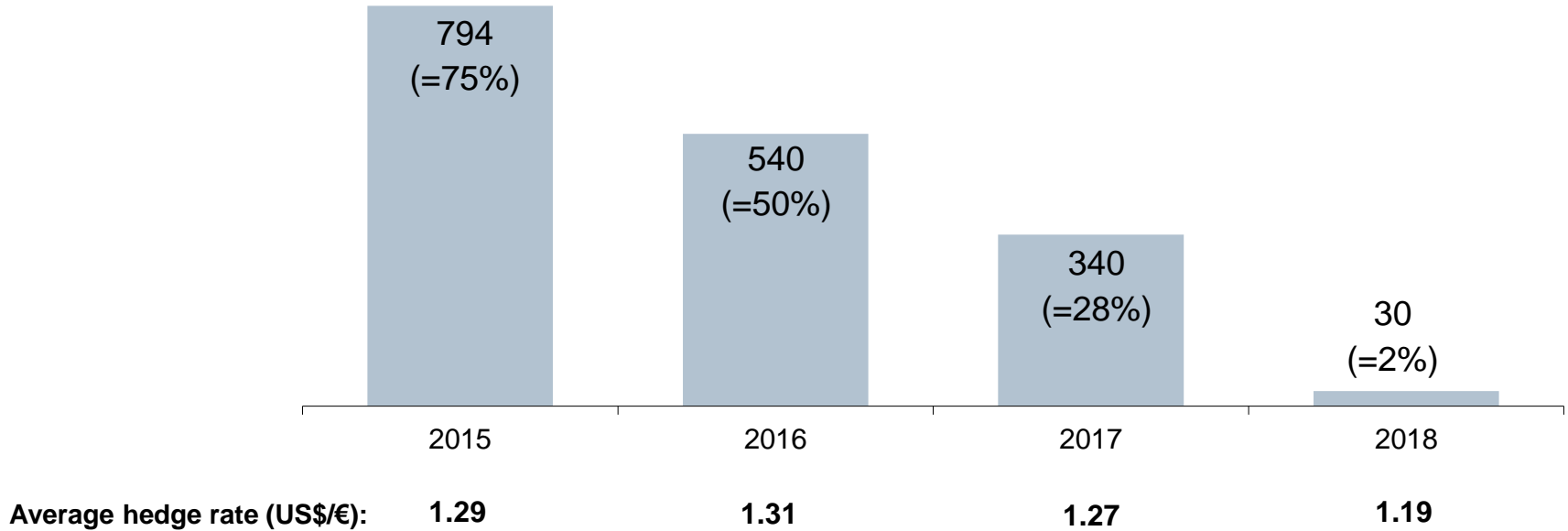


* w/o market-to-market valuations of US\$, nickel and options and others ** New underlying tax rate of 30% for 2014

US\$ Exchange Rate / Hedge Portfolio

Hedge book as of February 12, 2015 (*% of net exposure*)

(mUS\$)



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Commercial OEM Business

- GE9x (B777x) program participation
- PurePower engines have completed 13,500 hours of testing
- MTU participates in PW800 for future Gulfstream business jets
- Successful first flight of A320neo in Sept 2014
- FAA certification received for PW1100G-JM (A320neo)
- Airbus launched A321neo Long Range
- Over 6,000 GTF engines on firm order or optioned
- Projects for production ramp up well on track



Military Business

- 1,100 EJ200 engines delivered
- Ramp up TP400 engine program
- GE38 successfully tested on Ground Test Vehicle
- Successful first flight of KC390 equipped with V2500 engines



OEM Segment

Order book	31/12/2013	31/12/2014	Change
Order book in m€	5,403.6	6,763.6	25%
Commercial business in mUS\$	6,185.8	7,450.0	20%
Military business in m€	918.2	627.4	-32%

(in m€)	FY 2013	FY 2014	Change
Revenues	2,392.0	2,648.3	11%
Commercial business	1,891.3	2,116.8	12%
Military business	500.7	531.5	6%

- Order book Commercial business increased by 20 % to US\$ 7.5 bn
- Organic Commercial OEM revenues up by 12%
- Military revenues up by 6%



OEM Segment

(in m€)	FY 2013	FY 2014	Change
Revenues	2,392.0	2,648.3	11%
Gross profit	373.6	373.9	0%
<i>Gross profit margin</i>	15.6%	14.1%	
R&D according to IFRS	89.1	71.1	-20%
EBIT adj.	268.2	266.2	-1%
<i>EBIT adj. margin</i>	11.2%	10.1%	

- Gross Profit margin impacted by business mix effects
- R&D down by € 18 m
- EBIT margin at ~10%

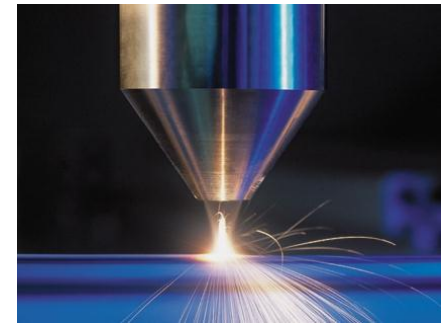


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Commercial MRO Business

- GEnx MRO contract signed
- MRO contract wins of US\$ 1,7 bn in FY 2014 being 25% up
- New Contract wins on CFM56 e.g. with Solaseed Air – worth 260 m US\$
- Q4/14 MRO at a new record level



Commercial MRO Business

(in mUS\$)	31/12/2013	31/12/2014	Change
Contract volume	5,476.4	5,357.8	-2%

(in m€)	FY 2013	FY 2014	Change
Revenues	1,213.7	1,298.9	7%
Gross profit	146.6	159.3	9%
<i>Gross profit margin</i>	<i>12.1%</i>	<i>12.3%</i>	
EBIT adj.	108.6	116.3	7%
<i>EBIT adj. margin</i>	<i>8.9%</i>	<i>9.0%</i>	

- Contract volume at US\$ 5.4 bn
- Organic revenues up by 7%
- Q4 14 US\$ revenues up 15% yoy
- EBIT margin stable



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Guidance 2015

in m€	FY 2014	Guidance 2015
Revenues	3,913.9	~ 4,400
EBIT adj.	382.7 9.8%	~ 420
Net income adj.	253.3	~285

- Guidance 2015 based on 1,20 US\$/€
- Commercial OE US\$ sales up high single digit
- Commercial US\$ spare parts sales up mid single digit
- Military revenues down mid single digit
- Commercial MRO US\$ revenues up mid to high single digit
- Tax rate in 2015: 30%

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Profit & Loss Highlights 2014

	Q4 2013	Q4 2014	Change		FY 2013	FY 2014	Change
Revenues	914.5	1,102.3	21%		3,574.1	3,913.9	10%
EBIT adj.	109.6	111.8	2%		377.4	382.7	1%
<i>Thereof „at equity“ results</i>	5.3	8.8			17.9	22.0	
Interest result	-4.2	-2.9			-12.2	-8.8	
Interest for pension provisions	-4.9	-5.4			-19.9	-21.4	
Financial result	-9.1	-8.3	9%		-32.1	-30.2	6%
EBT adj. *	100.5	103.5	3%		345.3	352.5	2%
Taxes **	-31.0	-28.5			-106.7	-99.2	
Tax rate normalized	32.6%	30.0%			32.6%	30.0%	
Net Income adj.**	69.5	75.0	8%		238.6	253.3	6%
EPS adj. **	1.37	1.47	7%		4.70	4.97	6%

*) w/o market-to market valuations of US\$, Nickel , options and others

***) at equity results excluded from taxation / underlying tax rate in 2014: 30% - in 2013: 32.6%

Profit & Loss

(in m€)	Q4 2013	Q4 2014	Change		FY 2013	FY 2014	Change
Revenues	914.5	1,102.3	21%		3,574.1	3,913.9	10%
Total Cost of Sales	-776.5	-950.8			-3,048.4	-3,375.4	
Gross Profit	138.0	151.5	10%		525.7	538.5	2%
<i>Gross Profit Margin</i>	15.1%	13.7%			14.7%	13.8%	
R&D company funded	-24.1	-17.7			-93.2	-75.7	
SG&A	-35.0	-38.6			-147.6	-150.3	
Other operating income (expense)	6.8	-7.6			12.4	-3.0	
Operating income from investments	6.9	10.2			20.0	24.0	
EBIT reported	92.6	97.8	6%		317.3	333.5	5%
<i>Adjustment (PPA Depreciation & Amortization)</i>	8.9	5.7			35.7	24.4	
<i>Adjustment (IAE Upshare)</i>	8.1	8.3			24.4	24.8	
EBIT adj.	109.6	111.8	2%		377.4	382.7	1%
<i>EBIT adj. margin</i>	12.0%	10.1%			10.6%	9.8%	
Financial Result	-11.8	-10.6			-43.9	-54.8	
Profit before tax (EBT)	80.8	87.2	8%		273.4	278.7	2%
Taxes	-39.7	-24.7			-107.1	-83.3	
Net Income reported	41.1	62.5	52%		166.3	195.4	17%
Net Income adj.	69.5	75.0	8%		238.6	253.3	6%
EPS reported	0.81	1.23			3.27	3.84	
EPS adj.	1.37	1.47			4.70	4.97	

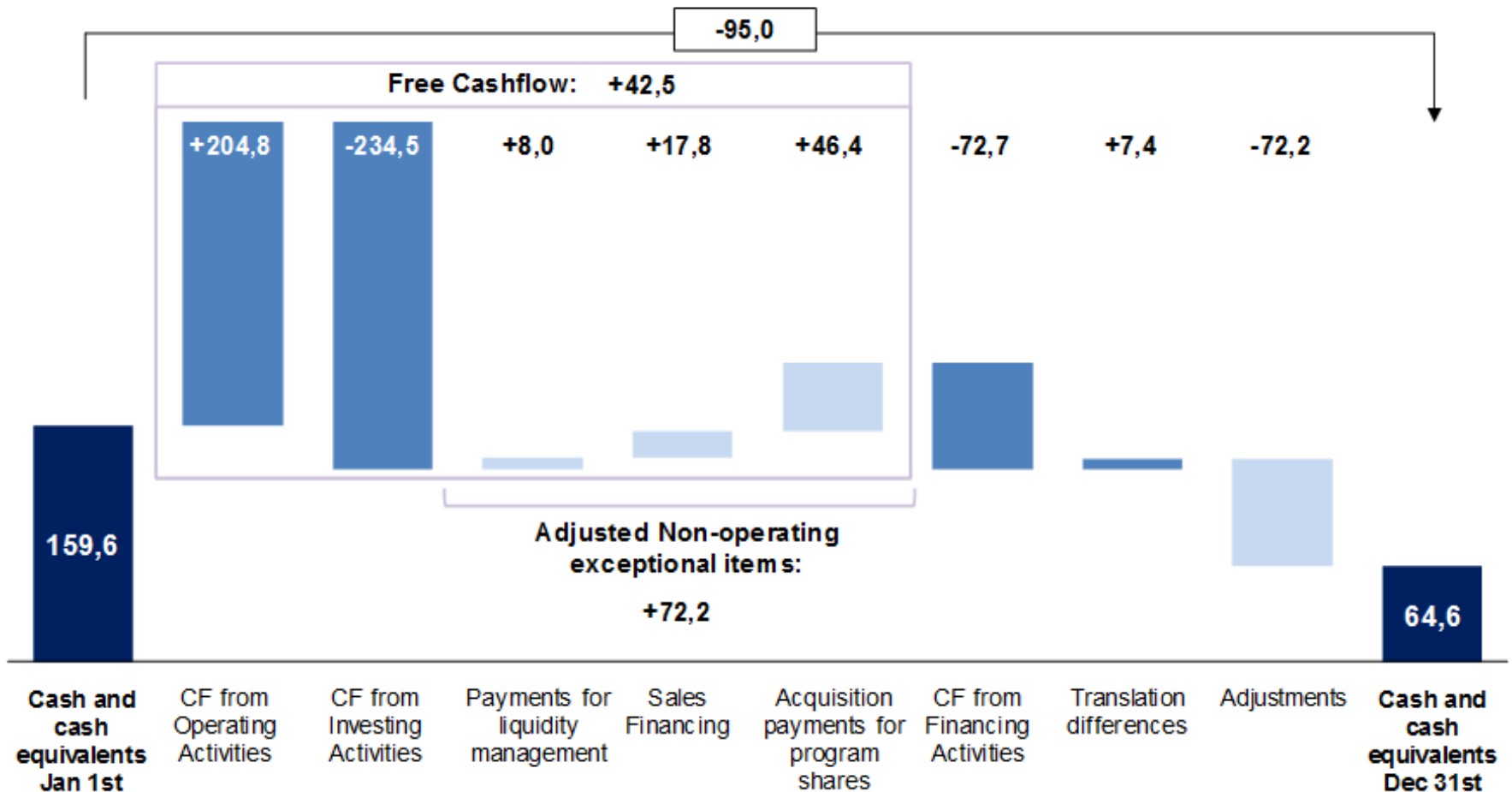
Segment Revenues and EBIT adj.

(in m€)	Q4 2013	Q4 2014	Change		FY 2013	FY 2014	Change
Revenues Group	914.5	1,102.3	21%		3,574.1	3,913.9	10%
OEM Commercial	488.4	552.9	13%		1,891.3	2,116.8	12%
OEM Military	132.7	179.8	35%		500.7	531.5	6%
MRO	301.9	378.1	25%		1,213.7	1,298.9	7%
Consolidation	-8.5	-8.5			-31.6	-33.3	
EBIT adj. Group	109.6	111.8	2%		377.4	382.7	1%
OEM (Commercial / Military)	82.4	76.8	-7%		268.2	266.2	-1%
MRO	28.1	36.4	30%		108.6	116.3	7%
Consolidation	-0.9	-1.4			0.6	0.2	
EBIT margin adj. Group	12.0%	10.1%			10.6%	9.8%	
OEM (Commercial / Military)	13.3%	10.5%			11.2%	10.1%	
MRO	9.3%	9.6%			8.9%	9.0%	

Research & Development

(in m€)	Q4 2013	Q4 2014	Change		FY 2013	FY 2014	Change
Company expensed R&D	35.7	61.8	73%		142.8	160.0	12%
OEM	34.4	60.5			138.0	155.4	
MRO	1.3	1.3			4.8	4.6	
Capitalization of R&D	-11.6	-44.1			-49.6	-84.3	
OEM	-11.6	-44.1			-48.9	-84.3	
MRO	0.0	0.0			-0.7	0.0	
R&D according to IFRS	24.1	17.7	-27%		93.2	75.7	-19%
OEM	22.8	16.4			89.1	71.1	
MRO	1.3	1.3			4.1	4.6	
Customer funded R&D	9.4	8.7	-7%		50.4	35.3	-30%
Total R&D	45.1	70.5	56%		193.2	195.3	1%

MTU's Cash development January – December 2014



Cash Flow

(in m€)	FY 2013	FY 2014	Change
Net Income IFRS	166.3	195.4	17%
Depreciation and amortization	164.7	154.7	
Change in provisions *	-48.7	8.2	
Change in Working Capital	-90.3	-121.8	
Taxes	19.6	-74.5	
Interest, derivatives, others	-22.8	42.8	
Cash Flow from operating activities	188.8	204.8	8%
Cash Flow from investing activities	-183.3	-234.5	-50%
<i>Adjustments</i>	74.8	72.2	
Free Cash Flow	80.3	42.5	-47%
<i>Adjustments</i>	-74.8	-72.2	
Cash Flow from financing activities	4.9	-72.7	<-300%
Effect of exchange rate on cash and cash equivalents	-6.0	7.4	
Change in cash and cash equivalents	4.4	-95.0	
Cash and cash equivalents at 31.12.	159.6	64.6	

* includes pension provisions and other provisions

Net financial debt increased to 737.3 m€

(in m€)	FY 2013	FY 2014	Change
Corporate bonds	352.3	352.7	
Financial liabilities arising from IAE V2500	286.4	414.6	
Financial liabilities to bank			
<i>Promissory notes</i>	12.0	0	
<i>RCF</i>		9.6	
<i>Note Purchase Agreement</i>		30.1	
Liabilities to related companies	4.8	0.1	
Finance lease liabilities	6.4	14.2	
Derivates without hedging relationship	3.5	12.2	
Derivates with hedging relationship	0.2	71.4	
Gross financial debt	665.6	904.9	36%
Cash and cash equivalents	159.6	64.6	
Derivates	69.3	2.6	
Other financial assets	66.2	100.4	
Financial assets	295.1	167.6	-43%
Net financial debt	370.5	737.3	99%

Working Capital

(in m€)	31/12/2013	31/12/2014	Change	Change in %
Gross Inventories	745.2	741.0	-4.2	
Prepayments	-547.8	-485.7	62.1	
Receivables	784.9	1,004.2	219.3	
Payables	-826.5	-981.9	-155.4	
Working Capital	155.8	277.6	121.8	78%

PPA Depreciation / Amortization (in m€)

(in m€)	Q4 2013	Q4 2014	FY 2013	FY 2014
Total depreciation / amortization				
MTU total	44.6	43.7	164.7	158.0
OEM	36.8	33.7	133.4	125.4
MRO	7.8	10.0	31.3	32.6
PPA depreciation /amortization				
MTU total	8.9	5.7	35.7	24.4
OEM	8.1	5.1	32.3	21.9
MRO	0.8	0.6	3.4	2.5
Depreciation / amortization w/o PPA				
MTU total	35.7	38.0	129.0	133.6
OEM	28.7	28.6	101.1	103.5
MRO	7.0	9.4	27.9	30.1

Guidance for PPA and IAE Upshare Amortization (in m€)

in m€	2013	2014	2015	2016	2017	2018	2019
PPA depreciation / amortization	35.7	24.4	~ 24.2	~ 21.2	~ 21.2	~ 21.1	~ 21.0
IAE Upshare	24.4	24.8	~ 30.0	~ 30.0	~ 30.0	~ 30.0	~ 30.0
Adjustments	60.1	49.2	~ 54.2	~ 51.2	~ 51.2	~ 51.1	~ 51.0

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