
MTU Aero Engines partially pays down high yield bond

Munich – MTU Aero Engines this Thursday, September 15, repaid 80 million euros of its high yield bond. This reduces the still outstanding amount of the bond to 195 million euros, from 275 million euros. Repayment was made at the contractually agreed price of 108.25% plus accrued interest. The 10-year bond, with a final redemption date of 2014, was issued in March 2004 and carries 8.25% interest. "Our strong liquidity enabled us to make this partial repayment," explains Reiner Winkler, MTU Aero Engines' chief financial officer. "This way we keep reducing our annual interest burden. Over a year's time, this reduction of the high yield bond will in the future cut our interest payments by more than 4 million euros."

MTU Aero Engines is Germany's leading engine manufacturer and a global player in the industry. It cooperates closely with the world's largest engine manufacturers. It is the world's largest independent maintenance service provider for commercial aero engines. In the military arena, MTU is the industrial lead company for engines flown by the country's armed forces and has major roles in European engine programs.

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