

Lufthansa Technik and MTU Aero Engines exploring setting up a joint maintenance company

- **Joint venture for PW1000G geared turbofan engine MRO**
- **Companies expect to leverage significant synergy effects**

Hamburg, Munich, September 20, 2016 – Lufthansa Technik and MTU Aero Engines are looking into options to jointly provide maintenance, repair and overhaul (MRO) services for the PW1000G family of geared turbofan engines. The two companies have signed a memorandum of understanding to explore the possibility of establishing an MRO joint venture at a globally competitive location. First decisions will be made by the end of the year.

The joint venture could handle a substantial amount of GTF shop visits already in the first few years of business. In the industry's highly cost-competitive environment, the objective of setting up a joint facility is to generate opportunities for synergy and scale for both companies.

Lufthansa Technik has been maintaining various Pratt & Whitney engine types for decades. Just recently, in July, Lufthansa Technik became a member of the aftersales service network for the U.S. company's geared turbofan (GTF) engines. The network offers the whole range of MRO services for PW1000G engines. With Lufthansa being the first airline to put a GTF-powered jet into commercial service, Lufthansa Technik is excellently positioned as an MRO services provider for GTF engine operators. The move will not affect the further development of LHT's existing facilities.

MTU Aero Engines is a partner of Pratt & Whitney in the PW1000G program; the engines have been selected as the propulsion systems for new aircraft programs launched by five different aircraft manufacturers. To date, airlines around the world have ordered about 8,200 of the engines incorporating geared turbofan technology to modernize their fleets. Over the coming decade, the high-volume engine program will contribute substantially to MTU Maintenance's revenues. Thanks to MTU's broad portfolio of other engines, the existing facilities will have a sufficient workload also in the years to come.

The two companies have been partnering in a successful, 50/50 joint venture in Malaysia since 2003. Airfoil Services Sdn. Bhd. (ASSB) near Kuala Lumpur specializes in the repair of low-pressure turbine and high-pressure compressor airfoils.



Lufthansa Technik

About Lufthansa Technik:

The Lufthansa Technik Group, with more than 30 subsidiaries and associates and over 25,000 employees worldwide, is one of the leading providers of technical services for the aviation industry. Its portfolio encompasses the entire spectrum of services for commercial aircraft: maintenance, repair, overhaul, modification and conversion, engines and components.

About MTU Aero Engines

MTU Aero Engines AG is Germany's leading engine manufacturer. Some 30 percent of today's active aircraft in service worldwide have MTU components on board. In the commercial maintenance sector the company ranks among the top 5 service providers for commercial aircraft engines and industrial gas turbines. The activities are combined under the roof of MTU Maintenance. MTU operates a network of locations around the globe. In fiscal 2015, the company had a workforce of some 9,000 employees and posted consolidated sales of approximately 4.4 billion euros.

Your contacts at Lufthansa Technik:

Dr. Jens Krueger
Head of Corporate Communications
and Political Affairs
Tel.: +49 (0)40 5070 3667
E-mail: Jens.krueger@lht.dlh.de

Wolfgang Reinert
Head of Media Relations

Tel.: +49 (0)40 5070 3212
E-mail: wolfgang.reinert@lht.dlh.de

For a full collection of press releases and photos, go to <http://www.lufthansa-technik.com>

Your MTU Investor Relations Contacts:

Michael Röger
Vice President Investor Relations
Phone: + 49 (0) 89 14 89-84 73

Claudia Heinle
Senior Manager Investor Relations
Phone: + 49 (0) 89 14 89-39 11

Alexander Gedler
Senior Manager Investor Relations
Phone: + 49 (0) 89 14 89-21 53

Investor Relations News: <http://www.mtu.de/investor-relations/latest-news/>