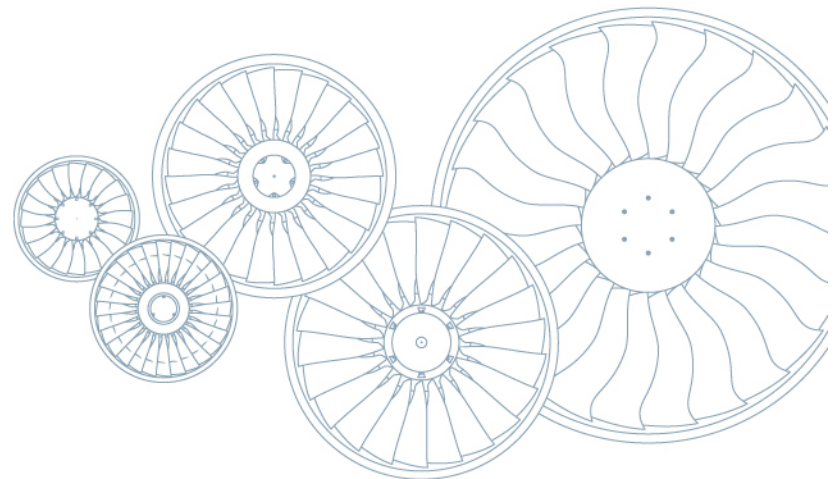




# Q3 2012 Results

## MTU Aero Engines

Conference Call with Investors and Analysts  
October 23, 2012

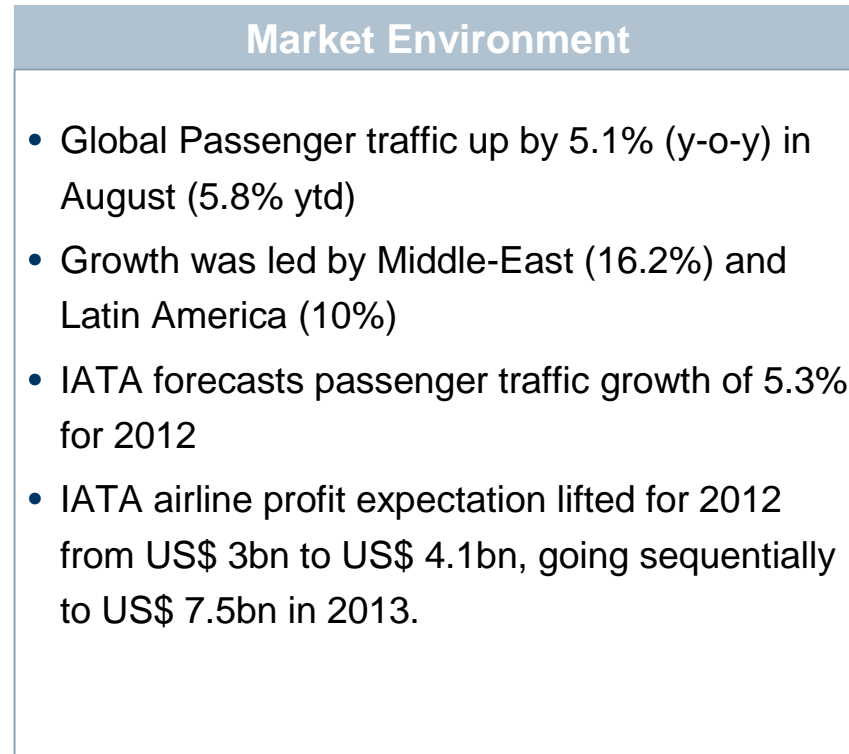
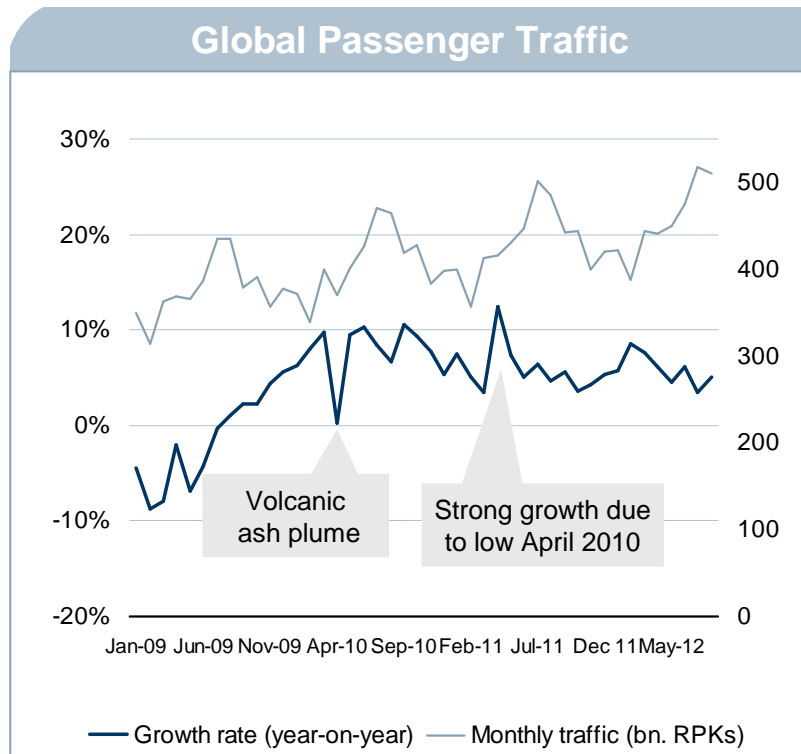


## Agenda

- **Business Highlights**
- Financial Highlights
- Segment Reporting
- Group Key Figures
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## Business Highlights

- Guidance 2012 confirmed
- IAE upshare numbers in line with our expectations
- Total commercial aftermarket up more than 10% (incl. Com. MRO + Com. Spares)



## Commercial OEM Business

- Successful Farnborough Air Show with contract wins worth €1.3 bn
- Over 2,900 GTF engines on firm order or optioned
- GTF development program accumulated ~4,000 testing hours
- PW1500G (CSeries) on track for certification by end of 2012
- PW1100G (A320 neo): First LPT shipped to assembly line
- New engine sales up around 20% in Q3
- Spare parts flat in Q3, sequentially slightly up



## Commercial MRO Business

- Contract wins of roughly €1 bn in 9M 2012
- Induction buffer on high level
- MRO revenues organically up by 14% in Q3
- MRO expected to reach upper area of guidance range



## Military Business

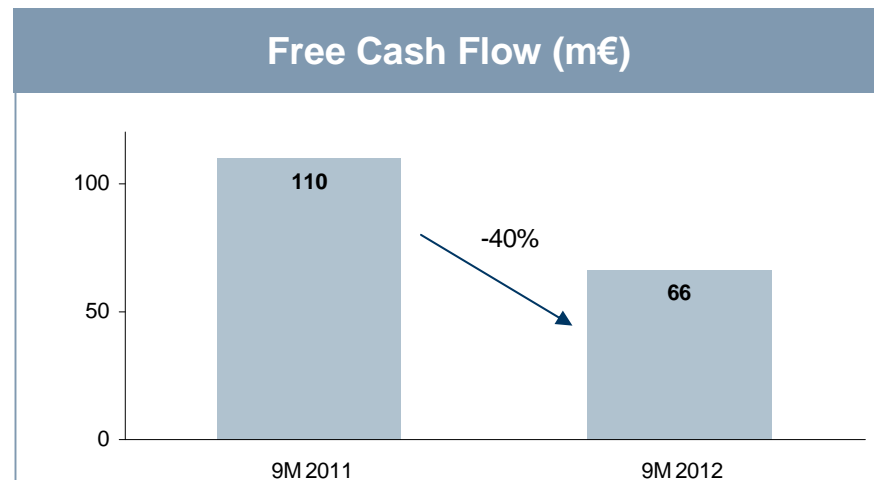
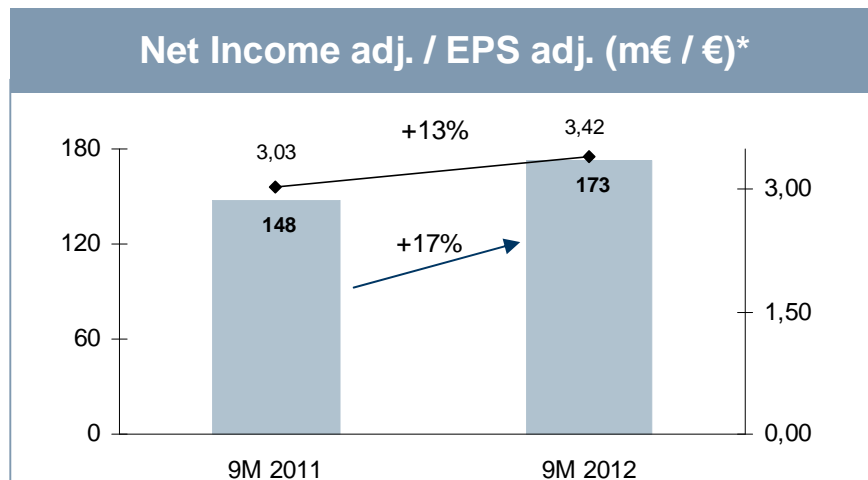
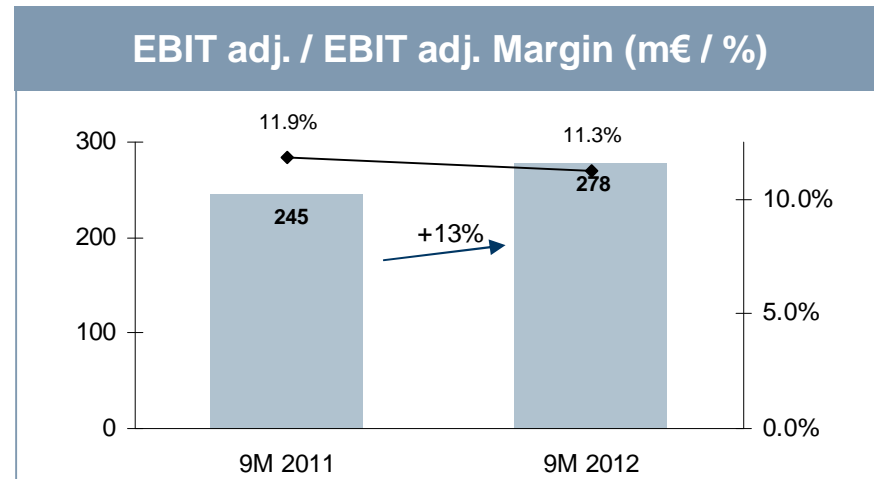
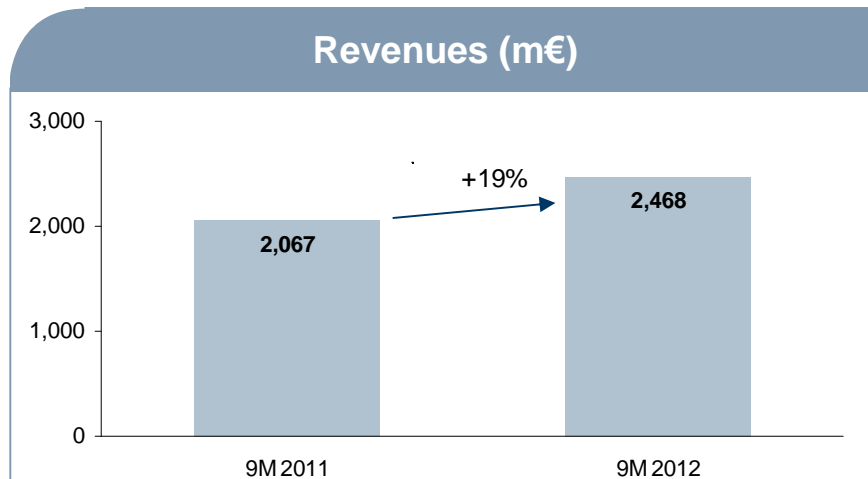
- Updated TP400-D6 engine delivered to Airbus Military
- Military revenues up 6% in Q3
- Outlook 2012 of 5% growth confirmed



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## Financial Highlights



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

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## OEM Segment

Order book	31/12/2011	30/09/2012	Change
<b>Order book (m€)</b>	<b>4,776.6</b>	<b>5,786.4</b>	<b>21%</b>
Commercial Business (mUS\$)	4,849.7	6,275.3	29%
Military Business (m€)	1,028.5	<b>933.1</b>	-9%

(m€)	9M 2011	9M 2012	Change
<b>Revenues</b>	<b>1,291.3</b>	<b>1,490.3</b>	<b>15%</b>
Commercial Business	970.0	1,141.9	18%
Military Business	321.3	348.4	8%

- Increase of commercial order book due to GTF / IAE upshare
- Revenue contribution IAE upshare roughly € 50m
- Commercial series sales up by ~20% in Q3
- Commercial spare parts flat in Q3, sequentially slightly up
- Military revenues up by 6% in Q3



## OEM Segment

(m€)	9M 2011	9M 2012	Change
Revenues	1,291.3	1,490.3	<b>15%</b>
<b>Gross Profit</b>	<b>291.4</b>	<b>293.7</b>	<b>1%</b>
<i>Gross Profit Margin %</i>	22.6%	19.7%	
<b>R&amp;D according to IFRS (P&amp;L)</b>	<b>92.6</b>	<b>76.8</b>	<b>-17%</b>
<b>EBIT adj.</b>	<b>182.1</b>	<b>194.1</b>	<b>7%</b>
<i>EBIT adj. Margin %</i>	14.1%	13.0%	

- Gross profit margin affected by strong OE growth
- R&D down by € 16 m
- EBIT margin in line with FY12 guidance



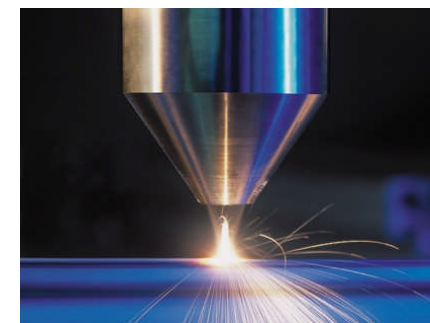
## Commercial MRO Business

(mUS\$)	31/12/2011	30/09/2012	Change
Contract volume (incl. order book)	7,453.5	7,660.9	3%

(m€)	9M 2011	9M 2012	
<b>Revenues</b>	<b>798.7</b>	<b>1,001.8</b>	<b>25%</b>
<b>Gross Profit</b>	<b>109.9</b>	<b>134.8</b>	<b>23%</b>
<i>Gross Profit Margin %</i>	13.8%	13.5%	
<b>EBIT adj.</b>	<b>65.9</b>	<b>85.6</b>	<b>30%</b>
<i>EBIT adj. Margin %</i>	8.3%	8.5%	

- Contract volume remained on a high level
- US\$ revenues up 14% in Q3
- EBIT margin on expected level



## Agenda

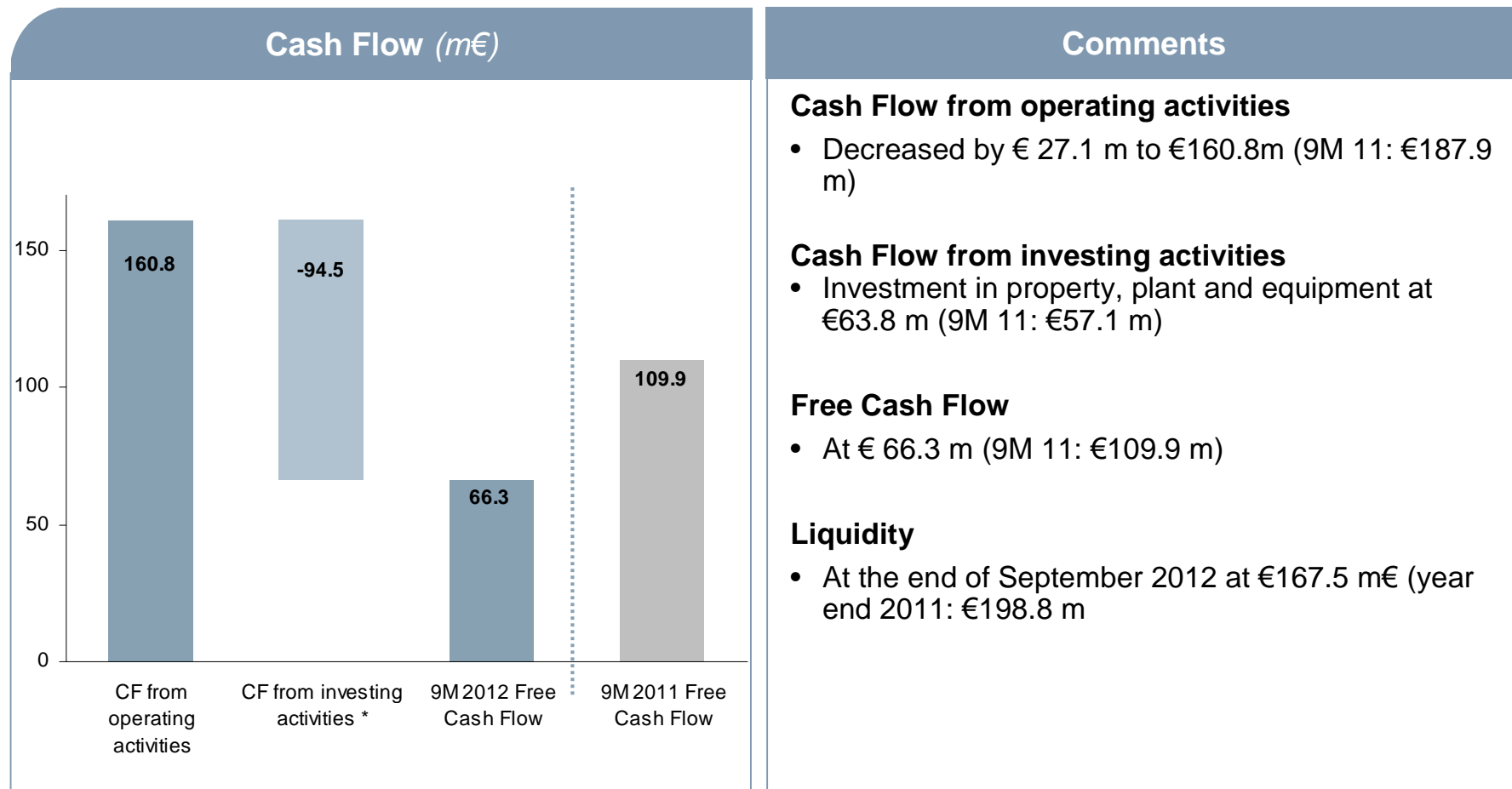
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## P&L Highlights

(m€)	9M 2011	9M 2012	Change
Revenues	2,067.3	2,468.0	19%
<b>EBIT adj.</b>	<b>245.3</b>	<b>278.0</b>	<b>13%</b>
<i>Interest Result</i>	-9.7	-2.6	
<i>Interests for pension provisions</i>	-16.4	-18.6	
<b>Financial Result *</b>	<b>-26.1</b>	<b>-21.2</b>	<b>19%</b>
<b>EBT adj. *</b>	<b>219.2</b>	<b>256.8</b>	<b>17%</b>
<b>Tax (tax rate 32,6%)</b>	<b>-71.5</b>	<b>-83.7</b>	
<b>Net Income adj. *</b>	<b>147.7</b>	<b>173.1</b>	<b>17%</b>
<b>EPS adj. *</b>	<b>3.03</b>	<b>3.42</b>	<b>13%</b>

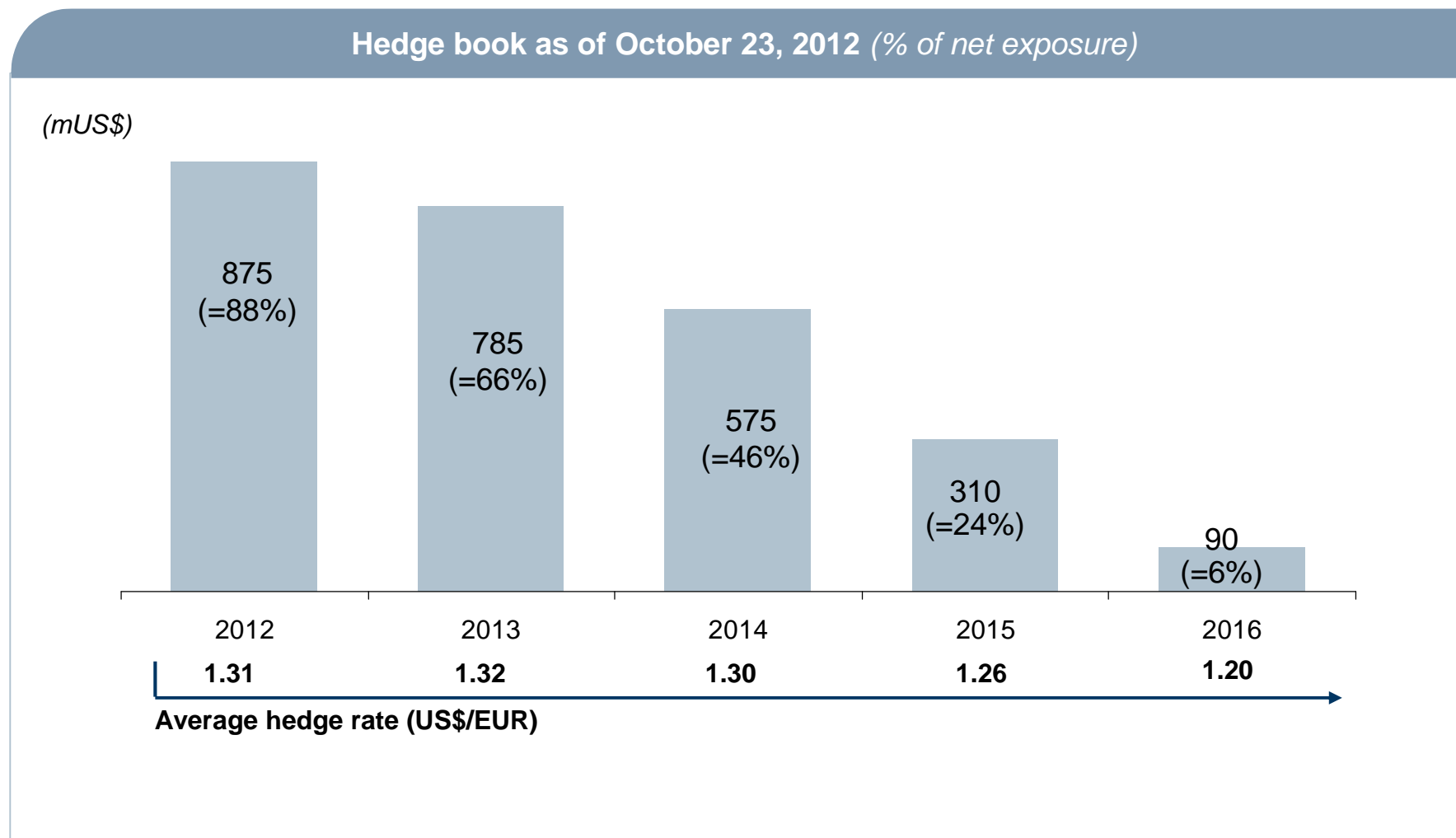
\* w/o market-to-market valuations of US\$, Nickel and Options and others

## Free Cash Flow

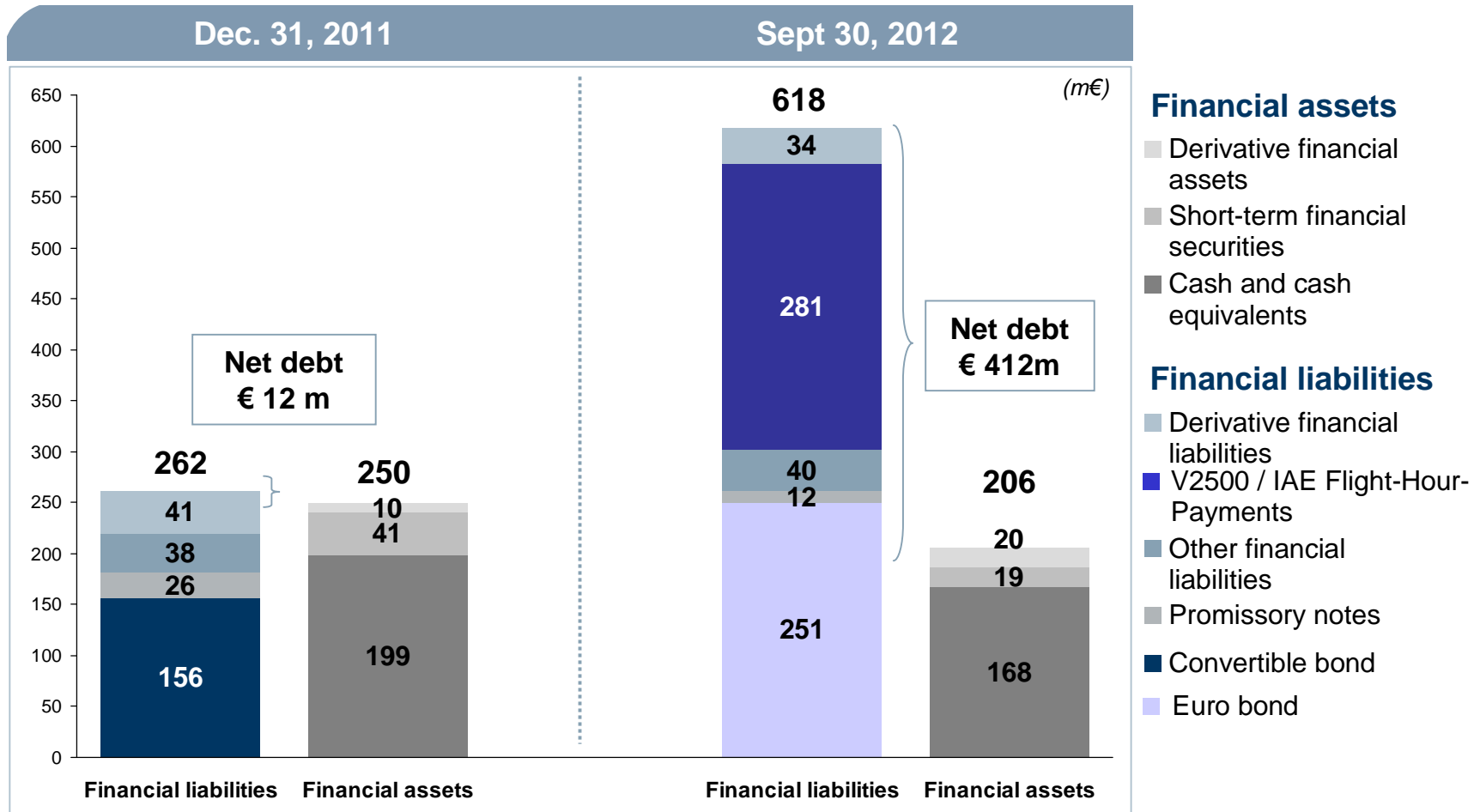


\* w/o Invest in shortterm fin.papers and impact from IAE upshare transaction

## US\$ Exchange Rate / Hedge Portfolio



# Net debt of € 412 m





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## Guidance 2012 confirmed

(m€)	FY 2011	Guidance 2012
<b>Revenues</b>	<b>2,932.1</b>	<b>3,300.0</b>
<b>EBIT adj.</b>	<b>328.0</b>	<b>370.0</b>
<b>EBIT adj. Margin</b>	<b>11.2%</b>	<b>11.2%</b>
<b>Net Income adj. *</b>	<b>196.6</b>	<b>225.0</b>

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

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## Profit & Loss

(m€)	Q3 2011	Q3 2012	Change	9M 2011	9M 2012	Change
Revenues	720.8	909.0	<b>26%</b>	2,067.3	2,468.0	<b>19%</b>
Total Cost of Sales	-577.2	-754.2		-1,662.4	-2,032.6	
<b>Gross Profit</b>	<b>143.6</b>	<b>154.8</b>	<b>8%</b>	<b>404.9</b>	<b>435.4</b>	<b>8%</b>
<i>Gross Profit Margin</i>	<i>19.9%</i>	<i>17.0%</i>		<i>19.6%</i>	<i>17.6%</i>	
R&D company funded	-36.9	-25.9		-96.5	-79.4	
SG&A	-35.5	-41.5		-100.1	-115.7	
Other operating income (expense)	-1.4	-0.7		4.2	3.1	
Operating income from investments	0.6	0.5		1.0	10.2	
<b>EBIT reported</b>	<b>70.4</b>	<b>87.2</b>	<b>24%</b>	<b>213.5</b>	<b>253.6</b>	<b>19%</b>
<i>Adjustment (PPA Depreciation &amp; Amortization)</i>	<i>10.5</i>	<i>9.4</i>		<i>31.8</i>	<i>28.5</i>	
<i>Adjustment (Derecognition financial asset)</i>	<i>0.0</i>	<i>5.6</i>		<i>0.0</i>	<i>-4.1</i>	
<b>EBIT adj.</b>	<b>80.9</b>	<b>102.2</b>	<b>26%</b>	<b>245.3</b>	<b>278.0</b>	<b>13%</b>
Financial Result	-13.4	-14.6		-45.6	-25.3	
<b>Profit before tax (EBT)</b>	<b>57.0</b>	<b>72.6</b>	<b>27%</b>	<b>167.9</b>	<b>228.3</b>	<b>36%</b>
Taxes	-17.6	-26.6		-51.2	-67.9	
<b>Net Income reported</b>	<b>39.4</b>	<b>46.0</b>	<b>17%</b>	<b>116.7</b>	<b>160.4</b>	<b>37%</b>
Net Income adj.	49.3	63.4		147.7	173.1	
<b>EPS</b>	<b>0.81</b>	<b>0.90</b>		<b>2.39</b>	<b>3.16</b>	
EPS adj.	1.01	1.25		3.02	3.42	

## Research & Development

(m€)	Q3 2011	Q3 2012	Change	9M 2011	9M 2012	Change
Company expensed R&D	42.2	37.4	<b>-11%</b>	116.0	113.3	<b>-2%</b>
OEM	40.6	36.4		109.6	110.1	
MRO	1.6	1.0		6.4	3.2	
<b>Capitalization of R&amp;D</b>	<b>-5.3</b>	<b>-11.5</b>		<b>-19.5</b>	<b>-33.9</b>	
OEM	-5.1	-11.3		-17.0	-33.3	
MRO	-0.2	-0.2		-2.5	-0.6	
<b>R&amp;D according to IFRS</b>	<b>36.9</b>	<b>25.9</b>	<b>-30%</b>	<b>96.5</b>	<b>79.4</b>	<b>-18%</b>
Customer funded R&D	23.2	18.1		67.4	60.2	
<b>Total R&amp;D</b>	<b>65.4</b>	<b>55.5</b>	<b>-15%</b>	<b>183.4</b>	<b>173.5</b>	<b>-5%</b>

## Cash Flow

(m€)	9M 2011	9M 2012	Change
<b>Net Income IFRS</b>	<b>116.7</b>	<b>160.4</b>	<b>37%</b>
Depreciation and amortization	97.5	106.3	
Change in provisions *	-5.9	-14.2	
Change in Working Capital	36.9	-74.0	
Taxes	-67.0	1.5	
Interest, derivatives, others	9.7	-19.2	
<b>Cash Flow from operating activities</b>	<b>187.9</b>	<b>160.8</b>	<b>-14%</b>
Cash Flow from investing activities	-79.4	-307.0	<b>287%</b>
<i>Adjustment (Short term financial securities)</i>	1.4	-21.0	
<i>Adjustment (Recognition intangible Asset)</i>	0.0	233.5	
<b>Free Cash Flow</b>	<b>109.9</b>	<b>66.3</b>	<b>-40%</b>
<i>Adjustments</i>	-1.4	-212.5	
<b>Cash Flow from financing activities</b>	<b>-53.7</b>	<b>113.9</b>	<b>312%</b>
Effect of exchange rate on cash and cash equivalents	-2.2	1.0	
Change in cash and cash equivalents	52.6	-31.3	

\*) includes pension provisions and other provisions

## Working Capital

(m€)	31/12/2011	30/09/2012	Change	Change in %
Gross inventories	823.8	819.6	-4.2	
Prepayments	-715.0	-611.5	103.5	
Receivables	785.3	725.3	-60.0	
Payables	-792.6	-787.7	4.9	
<b>Working Capital</b>	<b>101.5</b>	<b>145.7</b>	<b>44.2</b>	<b>44%</b>

## PPA Depreciation / Amortization (in m€)

Total depreciation / amortization	Q3 2011	Q3 2012	9M 2011	9M 2012
<b>MTU total</b>	<b>33.3</b>	<b>39.3</b>	<b>97.5</b>	<b>106.3</b>
OEM	25.9	31.7	75.3	83.5
MRO	7.4	7.6	22.2	22.8
PPA depreciation / amortization	Q3 2011	Q3 2012	9M 2011	9M 2012
<b>MTU total</b>	<b>10.5</b>	<b>9.4</b>	<b>31.8</b>	<b>28.5</b>
OEM	9.6	8.5	29.0	25.8
MRO	0.9	0.9	2.8	2.7
Depreciation / amortization w/o PPA	Q3 2011	Q3 2012	9M 2011	9M 2012
<b>MTU total</b>	<b>22.8</b>	<b>29.9</b>	<b>65.7</b>	<b>77.8</b>
OEM	16.3	23.2	46.3	57.7
MRO	6.5	6.7	19.4	20.1



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