
MTU Aero Engines starts the financial year 2012 with higher revenues and earnings

- **Revenues up 5 % in first quarter to € 698.0 million**
- **EBIT grows by 14 %, net income by 20 %**
- **Contract volume up 7 % to € 11.2 billion**

Munich, April 25, 2012 – MTU Aero Engines Holding AG closed the first quarter of 2012 with higher revenues and earnings: revenues grew by 5 % to € 698.0 million (Q1/2011: € 664.8 million), while EBIT¹ improved by 14 %, from € 80.5 million to € 91.4 million. The operating margin thus rose by one percentage point to 13.1 %, while net income² climbed by 20 % to € 56.9 million (Q1/2011: € 47.5 million).

“We also posted a substantial increase in contract volume, which was driven by the huge success of the PurePower PW1000G geared turbofan family,” said Egon Behle, CEO of MTU Aero Engines Holding AG, who added: “In the first quarter, we took a big step toward achieving our targets for 2012 as a whole. I am confident that this trend will continue and that we will achieve our forecast figures.”

The growth in revenues compared with the prior-year quarter is mainly attributable to substantial growth in the commercial MRO business, where MTU's revenues improved by 17 % to € 293.2 million (Q1/2011: € 251.6 million). The main thrust in this segment comes from the V2500 engine, which powers the Airbus A320 family.

In the commercial engine business, including spare parts, MTU posted revenues of € 296.8 million compared with € 309.6 million in the first quarter of 2011. “This was once again a result of shifts in revenue for the widebody segment, whereas the engines for the narrowbody segment have continued to develop strongly,” explained Behle. The key revenue drivers for commercial engine and spare parts business were the V2500 engine for the Airbus A320 family, the PW2000 engine for the Boeing 757 and C-17, and the GP7000 engine that powers the Airbus A380.

Revenues for military engine business rose by 4 % to € 115.3 million (Q1/2011: € 111.4 million), with the EJ200 engine for the Eurofighter accounting for the biggest share.

MTU's contract volume, which comprises the order backlog plus the value of commercial MRO contracts, amounted to € 11,238.6 million on March 31, 2012, thus 7 % higher than the year-end figure (Dec. 31, 2011: € 10,537.1). That is equivalent to a production workload of three years. The main contributors to this growth were the PW1000G engine family for the Airbus A320neo, Bombardier CSeries, Mitsubishi Regional Jet and Irkut MS-21 as well as the V2500 engine for the A320 family. “Our

¹ EBIT adjusted = earnings before interest and tax, calculated on a comparable basis

² Net income adjusted = earnings after income tax, calculated on a comparable basis



order entry developed very well during the period, and was twice as high as our revenues for the first three months of 2012,” reports CFO Reiner Winkler.

MTU succeeded in boosting its earnings from both commercial MRO business and OEM business:

EBIT adjusted for commercial MRO business increased by 19 % to € 24.3 million (Q1/2011: € 20.5 million). The EBIT margin grew to 8.3 % after 8.1 % in the comparable period. “Maintenance business has begun to pick up again, and both the number of shop visits and the value of the services provided are on the rise”, commented Behle.

Operating profit from OEM business climbed by 14 %, from € 60.5 million to € 68.8 million, while the EBIT margin improved by 2.3 percentage points to 16.7 %.

MTU'S R&D spending rose by 5 % in the first quarter of 2012 to € 67.6 million (Q1/2011: € 64.5 million), while company-funded investment already declined slightly to € 39.8 million (Q1/2011: € 40.4 million). The outside-funded share amounted to € 27.8 million (Q1/2011: € 24.1 million). The company's R&D activities focused on geared turbofan technology.

MTU's free cash flow reached € 34.2 million after € 70.9 million in the first quarter of 2011. “We expect our free cash flow for the year as a whole to be in the high double-digit million euro range,” said Winkler, “So the free cash flow we achieved in the first quarter conforms with our expectations.”

At € 19.5 million, investments in property, plant and equipment were 20 % higher in the first quarter of 2012 than in the same period last year (Q1/2011: € 16.2 million). The focus of the investments fell on the construction of the blisk production facility at its Munich site, and on technical equipment and machines.

MTU's workforce grew marginally compared with year-end 2011, from 8,202 to 8,280.

MTU's forecast for the financial year 2012 remains unchanged, and the company is expecting to achieve an increase in revenues in the mid single-digit percentage range (revenues 2011: € 2,932.1 million). A rise of 8–10 % is anticipated in EBIT adjusted (2011: € 328.0 million), while net income adjusted (2011: € 196.6 million) is expected to rise by 10–12 %.



MTU Aero Engines – key financial data for Q1/2012

(Figures quoted in million €, calculated on a comparable basis. Statements prepared in accordance with IFRS.)

MTU Aero Engines	Q1 2011	Q1 2012	Change
Revenues	664.8	698.0	+ 5.0 %
of which OEM business	421.0	412.1	- 2.1 %
of which commercial engine business	309.6	296.8	- 4.1 %
of which military engine business	111.4	115.3	+ 3.5 %
of which commercial MRO business	251.6	293.2	+ 16.5 %
EBIT (calculated on a comparable basis)	80.5	91.4	+ 13.5 %
of which OEM business	60.5	68.8	+ 13.7 %
of which commercial MRO business	20.5	24.3	+ 18.5 %
<i>EBIT margin (calculated on a comparable basis)</i>	<i>12.1 %</i>	<i>13.1 %</i>	
<i>for OEM business</i>	<i>14.4 %</i>	<i>16.7 %</i>	
<i>for commercial MRO business</i>	<i>8.1 %</i>	<i>8.3 %</i>	
Net income (calculated on a comparable basis)	47.5	56.9	+ 19.8 %
Net income (reported)	33.5	54.0	+ 61.2 %
Earnings per share (undiluted, reported)	€ 0.69	1.07	+ 55.1 %
Free cash flow	70.9	34.2	- 51.8 %
Research and development expenditure	64.5	67.6	+ 4.8 %
of which company-funded	40.4	39.8	- 1.5 %
of which outside-funded	24.1	27.8	+ 15.4 %
Capital expenditure on property, plant and equipment	16.2	19.5	+ 20.4 %
	Dec. 31, 2011	Mar. 31, 2012	Change
Contract volume (order backlog including value of commercial MRO contracts)	10,537.1	11,238.6	+ 6.7 %
of which OEM business	4,776.6	5,374.2	+ 12.5 %
of which commercial MRO business	5,760.5	5,864.4	+ 1.8 %
Employees	8,202	8,280	+ 1.0 %

MTU Aero Engines is not only Germany's leading – and only independent – engine manufacturer, but a major player in the industry. Together with its affiliates, MTU maintains a presence in all key markets and regions. In the commercial engine sector, the company has close working ties with the world's major aero engine manufacturers – General Electric, Pratt & Whitney and Rolls-Royce. In the military sector, MTU is the lead industrial partner for almost every type of engine operated by the German armed forces, and an important partner in all major military aero engine programs in Europe. MTU Maintenance is the world's biggest independent provider of maintenance services for commercial aircraft engines. The company is a technological leader in low-pressure turbines, high-pressure compressors, manufacturing processes, and repair techniques.



Contact:

Peter Kameritsch
Vice President Investor Relations
phone: + 49 (0) 89 14 89-57 14

Claudia Heinle
Investor Relations
phone: + 49 (0) 89 14 89-39 11

Alexander Gedler
Investor Relations
phone: + 49 (0) 89 14 89-21 53

For a full collection of Investor Relations news, go to <http://www.mtu.de>

Cautionary note regarding forward-looking statements

Certain of the statements contained herein may be statements of future expectations and other forward-looking statements that are based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Actual results, performance or events may differ materially from those in such statements due to, without limitation, competition from other companies in MTU Aero Engines' industry and MTU Aero Engines' ability to retain or increase its market share, the cyclical nature of the airline industry, risks related to MTU Aero Engines' participation in consortia and risk and revenue sharing agreements for new aero engine programs, risks associated with the capital markets, currency exchange rate fluctuations, regulations affecting MTU Aero Engines' business and MTU Aero Engines' ability to respond to changes in the regulatory environment, and other factors. Many of these factors may be more likely to occur, or more pronounced, as a result of terrorist activities and their consequences. MTU Aero Engines assumes no obligation to update any forward-looking statement.