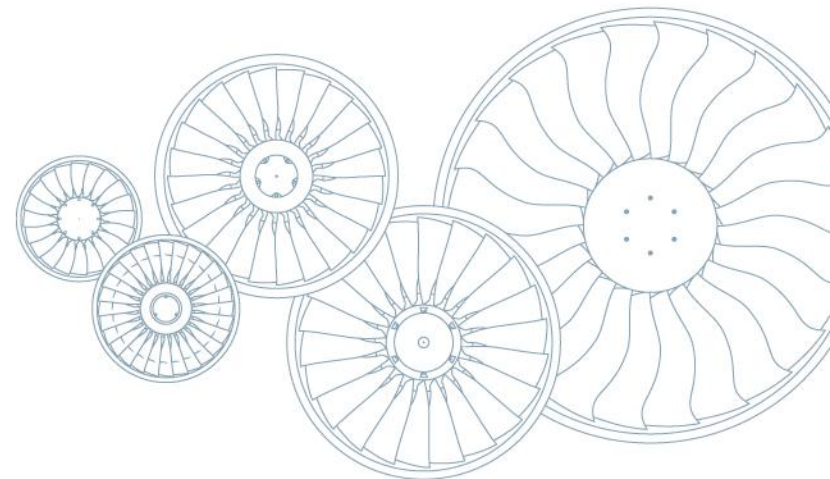




Q1 2014 Results - MTU Aero Engines

Conference Call with Investors and Analysts
29 April 2014

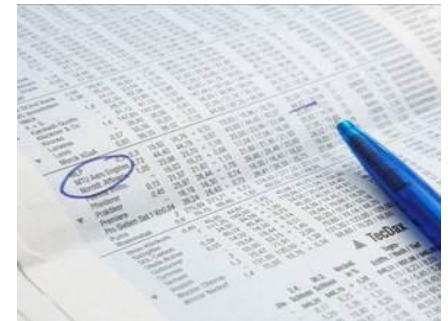


Agenda

- **Business Highlights**
- Group key figures
- Commercial and Military OEM
- Commercial MRO
- Guidance
- Appendix

Business Highlights

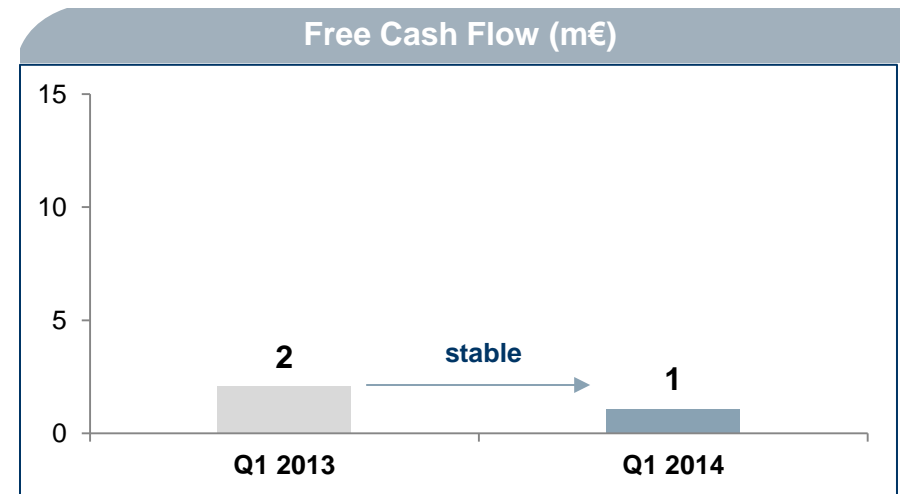
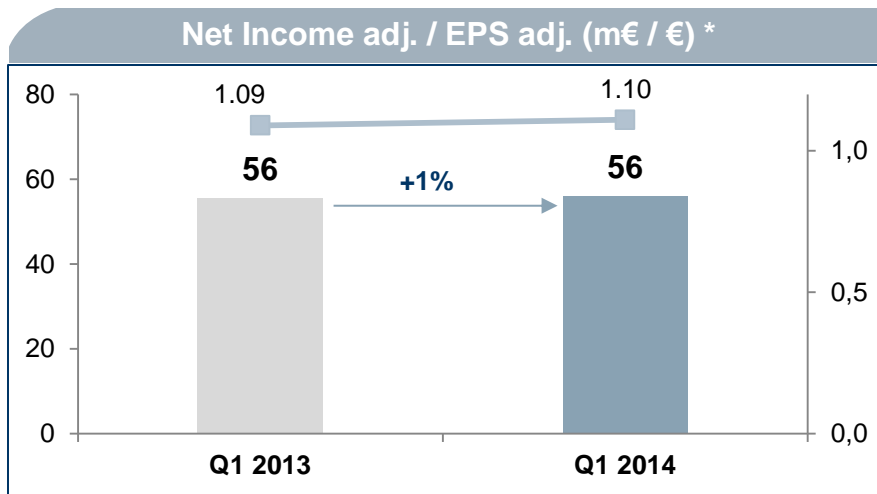
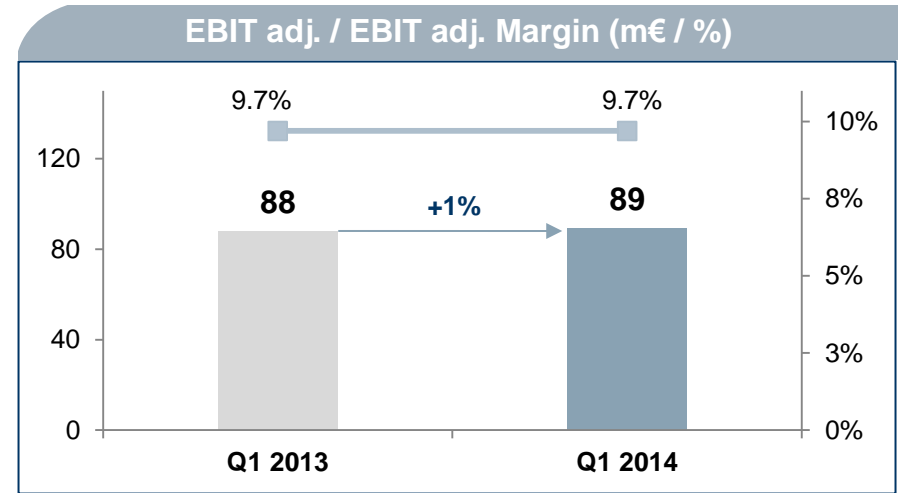
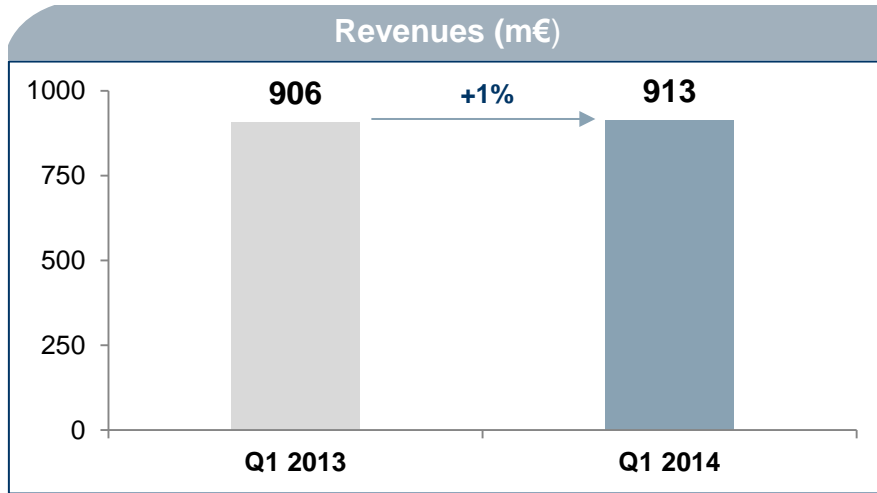
- IATA passenger traffic up ~7% ytd. in February 2014
- Guidance 2014 confirmed
- Dividend proposal of € 1.35
- GTF engine programs on track
- Preparation for production ramp up under way



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Financial Highlights

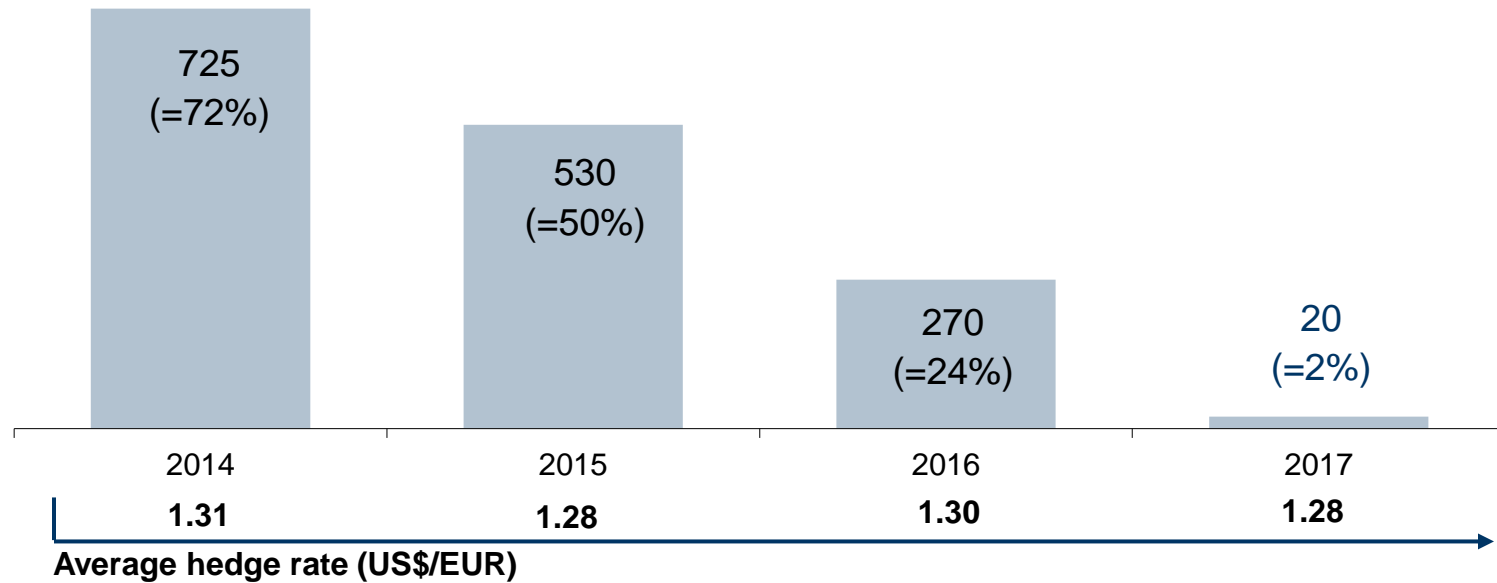


* w/o market-to-market valuations of US\$, Nickel and Options and others

US\$ Exchange Rate / Hedge Portfolio

Hedge book as of April 29, 2014 (*% of net exposure*)

(mUS\$)



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Commercial OEM Business

- Over 5,300 GTF engines (incl. options) on order
- Geared Turbofan test program on track
- Expansion of MTU Aero Engines Polska
- New logistics center in Munich

Military Business

- 1st A400M delivered to Turkey
- GE38 program on track
- Military revenues flat in Q1 14



OEM Segment

Order book	31/12/2013	31/03/2014	Change
Order book in m€	5,403.6	5,834.3	8%
Commercial business in mUS\$	6,185.8	6,774.9	10%
Military business in m€	918.2	920.7	0%

(in m€)	Q1 2013	Q1 2014	Change
Revenues	600.6	617.1	3%
Commercial business	488.4	500.5	2%
Military business	112.2	116.6	4%

- Order book Commercial business increased by 10 % to US\$ 6.8 bn
- Underlying US\$ Commercial business sales increased by 6%
- Military revenues slightly up



OEM Segment

(in m€)	Q1 2013	Q1 2014	Change
Revenues	600.6	617.1	3%
Gross profit	93.1	94.1	1%
<i>Gross profit margin</i>	15.5%	15.2%	
R&D according to IFRS	-28.0	-20.8	-26%
EBIT adj.	59.0	60.8	3%
<i>EBIT adj. margin</i>	9.8%	9.9%	

- Gross Profit margin flat
- R&D decreased by € 7 m
- EBIT margin flat

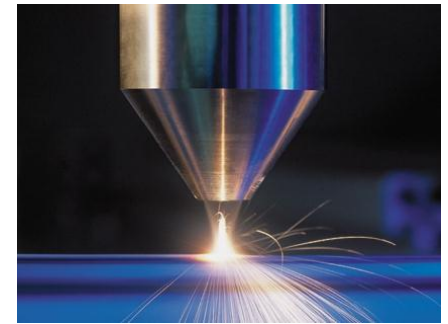


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Commercial MRO Business

- MRO contract wins of US\$ 339 m in Q1 14
- New Contract wins with Biman, Conviasa and Saudi Aramco
- MTU Maintenance lease Services B.V. starts operations
- MTU^{Plus} Mature Engine Solutions launched
- Stable revenues on a high comparison base



Commercial MRO Business

(in mUS\$)	31/12/2013	31/03/2014	Change
Contract volume	5,476.4	5,512.6	1%
(in m€)	Q1 2013	Q1 2014	Change
Revenues	313.1	303.6	-3%
Gross profit	39.5	35.1	-11%
<i>Gross profit margin</i>	12.6%	11.6%	
EBIT adj.	28.4	27.0	-5%
<i>EBIT adj. margin</i>	9.1%	8.9%	

- Contract volume stable at US\$ 5.5 bn
- US\$ revenues stable
- Flat EBIT margin



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Guidance 2014 confirmed

in m€	FY 2013	FY 2013 adjusted for MTU Zhuhai *	Guidance 2014
Revenues	3,741.7	3,574.1	~3,750 *)
EBIT adj.	377.3	373.1	~ stable
	10.1%	10.4%	
Net income adj.	232.1	235.7	~ stable

*) from 2014 on MTU Zhuhai consolidated at equity (new IFRS 11 rule)

- Series revenues expected to increase by ~ 10%
- Spare parts revenues expected to grow mid single digit
- Military business revenues down ~ 10%
- Commercial MRO revenues expected to be up mid to high single digit

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Profit & Loss

(in m€)	Q1 2013	Q1 2014	Change
Revenues	906.0	913.0	1%
Total Cost of Sales	-771.8	-782.9	
Gross Profit	134.2	130.1	-3%
<i>Gross Profit Margin</i>	<i>14.8%</i>	<i>14.2%</i>	
R&D company funded	-28.7	-21.7	
SG&A	-38.1	-37.8	
Other operating income (expense)	1.4	2.8	
Operating income from investments	5.0	3.9	
EBIT reported	73.8	77.3	5%
<i>Adjustment (PPA Depreciation & Amortization)</i>	<i>9.0</i>	<i>6.2</i>	
<i>Adjustment (IAE Upshare)</i>	<i>5.5</i>	<i>5.5</i>	
EBIT adj.	88.3	89.0	1%
<i>Financial Result</i>	<i>-18.5</i>	<i>-8.0</i>	
Profit before tax (EBT)	55.3	69.3	25%
Taxes	-18.5	-22.5	
Net Income reported	36.8	46.8	27%
Net Income adj.	55.5	56.0	
EPS	0.73	0.92	
EPS adj.	1.09	1.10	

Segment Revenues and EBIT adj.

(in m€)	Q1 2013	Q1 2014	Change
Revenues Group	906.0	913.0	1%
OEM Commercial	488.4	500.5	2%
OEM Military	112.2	116.6	4%
MRO	313.1	303.6	-3%
Consolidation	-7.7	-7.7	
EBIT adj. Group	88.3	89.0	1%
OEM (Commercial / Military)	59.0	60.8	3%
MRO	28.4	27.0	-5%
Consolidation	0.9	1.2	
EBIT margin adj. Group	9.7%	9.7%	
OEM (Commercial / Military)	9.8%	9.9%	
MRO	9.1%	8.9%	

Research & Development

(in m€)	Q1 2013	Q1 2014	Change
Company expensed R&D	40.1	33.6	-16%
OEM	39.2	32.7	
MRO	0.9	0.9	
Capitalization of R&D	-11.4	-11.9	
OEM	-11.2	-11.9	
MRO	-0.2	0.0	
R&D according to IFRS	28.7	21.7	-24%
Customer funded R&D	13.8	9.7	
Total R&D	53.9	43.3	-20%

Cash Flow

(in m€)	Q1 2013	Q1 2014	Change
Net Income IFRS	36.8	46.8	27%
Depreciation and amortization	39.8	37.9	
Change in provisions *	9.8	-1.2	
Change in Working Capital	-65.4	27.9	
Taxes	0.8	-74.3	
Interest, derivatives, others	6.5	-1.1	
Cash Flow from operating activities	28.3	36.0	27%
Cash Flow from investing activities adjusted	-26.2	-34.9	33%
Free Cash Flow	2.1	1.1	-48%
<i>Adjustments</i>	-23.5	-17.5	
Cash Flow from financing activities	2.9	21.7	>300%
Effect of exchange rate on cash and cash equivalents	1.1	-0.2	
Change in cash and cash equivalents	-17.4	5.1	

* includes pension provisions and other provisions

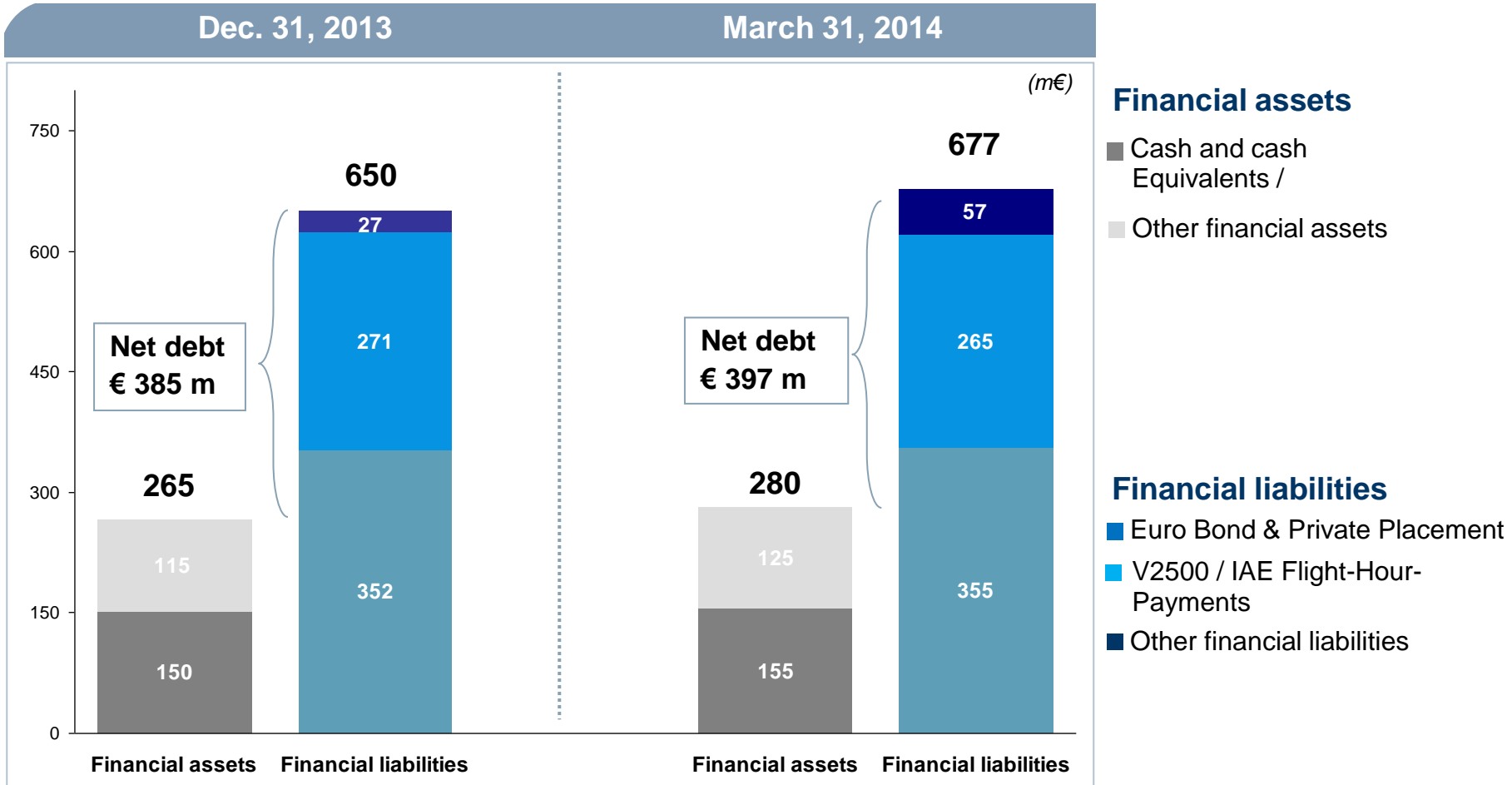
Working Capital

(in m€)	31/12/2013	31/03/2014	Change	Change in %
Gross Inventories	745.2	714.1	-31.1	
Prepayments	-517.3	-538.6	-21.3	
Receivables	784.9	760.4	-24.5	
Payables	-826.5	-777.5	49.0	
Working Capital	186.3	158.4	-27.9	-15%

PPA Depreciation / Amortization (in m€)

(in m€)		Q1 2013	Q1 2014
Total depreciation / amortization			
MTU total		39.8	37.9
OEM		31.7	30.8
MRO		8.1	7.1
PPA depreciation /amortization			
MTU total		9.0	6.2
OEM		8.1	5.6
MRO		0.9	0.6
Depreciation / amortization w/o PPA			
MTU total		30.8	31.7
OEM		23.6	25.2
MRO		7.2	6.5

Net debt of € 397 m



Key figures 2013 adjusted for MTU Zhuhai “at Equity Method”

(in m€)	Q1 2013	Q2 2013	Q3 2013	Q4 2013	H1 2013	9M 2013	FY 2013
Revenues Group	906.0	868.9	884.7	914.5	1.774.9	2.659.6	3.574.1
OEM Commercial	488.4	465.2	449.3	488.4	953.6	1,402.9	1,891.3
OEM Military	112.2	111.0	144.8	132.7	223.2	368.0	500.7
MRO	313.1	300.3	298.4	301.9	613.4	911.8	1.213.7
Consolidation	-7.7	-7.6	-7.8	-8.5	-15.3	-23.1	-31.6
EBIT adj. Group	88.3	81.4	98.1	105.3	169.7	267.8	373.1
EBIT adj. OEM	59.0	56.3	70.5	78.1	115.3	185.8	263.9
EBIT adj. MRO	28.4	25.9	26.2	28.1	54.3	80.5	108.6
EBIT margin adj. Group	9.7%	9.4%	11.1%	11.5%	9.6%	10.1%	10.4%
EBIT margin adj. OEM	9.8%	9.8%	11.9%	12.6%	9.8%	10.5%	11.0%
EBIT margin adj. MRO	9.1%	8.6%	8.8%	9.3%	8.9%	8.8%	8.9%
Net Income adj.	55.5	51.2	62.4	66.6	106.7	169.1	235.7
EPS adj.	1.09	1.01	1.23	1.31	2.10	3.33	4.64

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