**MTU Maintenance in 2016: another year of successful growth**

* **Secured contract volume of 2.2 billion U.S. dollars**
* **Over 250 new independent contracts signed**

Hannover, Munich, Germany, April 26, 2017 – In 2016, MTU Maintenance, the maintenance, repair and overhaul (MRO) arm of MTU Aero Engines, strengthened its position as the world’s largest independent provider of engine services. Overall, the company signed independent deals with a contract volume of 2.2 billion US Dollars with the program families CF34, CFM56, and LM industrial gas turbines (IGTs) enjoying particular success. “Over 250 new contracts were signed in 2016 and 26 new customers joined the company’s engine and IGT MRO customer lists,” explains Michael Schreyögg, Chief Program Officer at MTU Aero Engines. “Underlining our customers’ trust in MTU Maintenance’s technology, market and engineering expertise. Additionally, the company receives shop visit volume from contracts signed with MTU Aero Engines and partners through the OEM network that is not counted here.

**Growth accelerators**

MTU Maintenance grew its revenue by 21% to 2.1 billion US Dollars in 2016 and was up 23% in the fourth quarter. Nearly 1,000 engines were delivered to the company’s locations around the world for repair and overhaul in 2016 – bringing the total shop visit count to over 17,000 in more than 35 years. The largest share of turnover came from the V2500 engine family, for which MTU Maintenance is the number one MRO provider worldwide with a market share percentage in the mid-thirties in 2016. Growth is set to continue into 2017 as well: MTU Aero Engines foresees around 10% overall growth in US Dollar its MRO segment for the coming year.

MTU Maintenance has over 30 different engine models in its MRO portfolio, more than any other MRO services provider in the world. When it comes to programs beyond the V2500, the company also secured its leading independent status in 2016. For instance, it is number one independent provider on the CFM56 engines types it serves with a percentage of market share in the low teens. And with a high teens and low teens percentage of market share respectively the company is also number one independent engine services provider for the CF6 and CF34 engine families. Schreyögg says: “Our market position is a result of our customer-centric approach, flexible alternative solutions and optimization across the lifecycle. We maximize the value of assets and minimize the cost of operations, as evidenced by the continued trust and support of our customers.”

**More than engine MRO**

Beyond engine MRO, MTU Maintenance also saw success in its leasing and asset management operations. Launched in 2014, MTU Maintenance Lease Services B.V., a joint venture between MTU Maintenance and the Sumitomo Corporation, doubled revenue in 2016 – well ahead of the company’s original business plan. The company’s engine pool now contains over 40

engines and services are continually being expanded both in terms of spare engine support for operators as well as through customized solutions dedicated to lessors. Schreyögg states: “We are delighted with our performance in 2016. Our unique combination of technical, MRO expertise and in-depth market knowledge puts us in a unique position when it comes to comprehensive leasing and asset management solutions for our customers.”

**Looking to the future**

Alongside the growth prediction of 10% for 2017, MTU Maintenance will continue to provide customers with a wide range of exceptional services in the future too. The company is securing access to new generation engine MRO work through MTU Aero Engine’s RRSP partnerships. For instance, MTU Maintenance has had approval to overhaul the PW1100G-JM, the engine used on the A320neo, since 2015. In 2016, the MTU Maintenance location in Hannover achieved MRO readiness and became one of only two shops currently certified to carry out MRO as part of the OEM network. Initial visits have been invaluable in improving repair processes in collaboration with the OEM. They also build on the range of engineering and in-depth expertise within MTU Aero Engines as a next-generation engine manufacturer.

Furthermore, MTU Maintenance is building on strategic partnerships, for instance with Lufthansa Technik, with whom MTU Maintenance celebrated 25 years of Airfoil Services Sd. Bhd. in November. The two companies also committed to a joint venture to serve the PW1100G-JM engine in 2016. Additionally, MTU Maintenance is present in growing markets. A prime example of this is MTU Maintenance Zhuhai, a joint venture with China Southern Airlines. The location celebrated its 15th anniversary in 2016 and enjoys a stellar reputation in the region as China’s largest maintenance shop. But its reach goes far beyond its location: In 2016, over 50% of MTU Maintenance Zhuhai’s turnover was generated by customers outside of China.

“Our multifaceted approach to the aftermarket is all about comprehensively reaching and serving customers,” says Schreyögg. “We know next-generation engines inside out and this expertise flows into all we do. Our partnerships with airlines help us understand and serve operator needs in the fastest way possible. And we leverage our rich history of independent experience to provide customers with innovative and cost-effective solutions. This all leads to the highest quality of services for our customers – now and in the future.”

**About MTU Aero Engines**

MTU Aero Engines AG is Germany's leading engine manufacturer. The company is a technological leader in low-pressure turbines, high-pressure compressors, turbine center frames as well as manufacturing processes and repair techniques. In the commercial OEM business, the company plays a key role in the development, manufacturing and marketing of high-tech components together with international partners. In the commercial maintenance sector, the company ranks among the top five service providers for commercial aircraft engines and industrial gas turbines. The activities are combined under the umbrella of MTU Maintenance. In the military field, MTU Aero Engines is Germany's industrial lead company for practically all engines operated by the country's military. MTU operates a network of locations around the globe; Munich is home to its corporate headquarters. In the fiscal year 2016, the company had a workforce of some 9,000 employees and posted consolidated sales of approximately 4.7 billion euros.

Your contacts:

Melanie Wolf Victoria Nicholls

Senior Manager Press & PR PR and Marketing Manager MRO

Tel.: +49 (0)89 14 89-26 98 Tel.: +49 (0)511 7806-2246

Mobile: +49 (0) 170-799 6377 Mobile: +49 (0) 171-375 5447

Email: [Melanie.Wolf@mtu.de](mailto:Melanie.Wolf@mtu.de) Email: victoria.nicholls@mtu.de

*For a full collection of press releases and photos, go to* [*http://www.mtu.de*](http://www.mtu.de)