
Disclosure of inside information in accordance with Article 17 of the Market Abuse Regulation (MAR)**MTU Aero Engines AG publishes new forecast for the 2020 fiscal year**

Munich, Germany; July 31, 2020 – The Executive Board of MTU Aero Engines AG has published a new forecast for the 2020 fiscal year. “Our new outlook is based on the aircraft manufacturers’ updated production rates and delivery schedules. The forecast also takes into account the latest estimates for the development of the aftermarket business, based on the expected development of air traffic volume,” commented Reiner Winkler, CEO of MTU Aero Engines AG.

MTU expects to generate revenue of 4 to 4.4 billion euros in 2020. Revenue from commercial series production business is likely to drop organically by a percentage in the mid to high twenties, revenue from spare parts business by a percentage in the high twenties. “Our spare parts business has been hit the hardest by the crisis,” said CFO Peter Kameritsch. “As far as series production business is concerned, we’re seeing lower volumes above all in the area of Geared Turbofan™ engines, especially for the A320neo, and GEnx engines for the Boeing 787.” Meanwhile MTU expects the percentage decline in revenue from commercial MRO business to be in the low-to-mid single digits. “Here, our work on the PW1100G-JM engine for the A320neo under the retrofit program should partially offset the organic decline in revenue in the core business. In addition, cargo airlines are likely to ensure capacity utilization,” Kameritsch explained. Revenue from military business is projected to increase slightly. MTU anticipates an adjusted EBIT margin of between 9 and 10 percent for 2020. “Lower volumes and changes in the product mix will have a negative impact on the development of our margin,” Winkler added. Adjusted net income should develop in line with adjusted EBIT. Furthermore, MTU has set itself the goal of closing the year with a positive free cash flow.

The new outlook is subject to the proviso that there will be no significant tightening of COVID-19-related restrictions that would have further negative effects on air traffic and MTU’s supply chains.

In March, the company had retracted its original forecast of February 20, 2020, due to the unpredictable impact of the COVID-19 pandemic.

MTU Aero Engines AG will publish its mid-year results for 2020 on August 3.

Your contacts at MTU Aero Engines Investor Relations:

Thomas Franz
Vice President Investor Relations
Phone: + 49 (0) 89 14 89-47 87
Email: Investorrelations@mtu.de



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

Matthias Spies
Senior Manager Investor Relations
Phone: + 49 (0) 89 14 89-41 08