



First half year results 2021

Conference Call with Investors and Analysts

7/30/2021

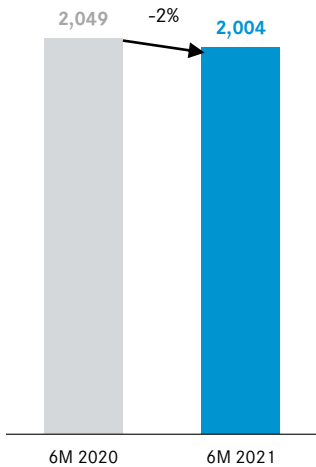
Review H1 2021

- Passenger traffic shows first signs of recovery
- 2021 global passenger traffic expected to reach 52% of 2019 pre-COVID levels
- 1,000 GTF powered aircraft in customer hands
- 500th GTF "Neo" engine assembled at MTU Munich
- Ground breaking ceremony for new parts repair shop in Serbia
- MRO contract wins of ~ US\$ 3.0bn in H1 2021
- Funding of the FCAS demonstrator phase cleared
- MTU Munich site to become climate neutral by late 2021

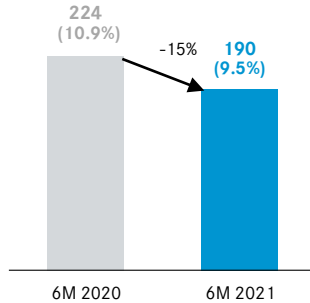


Financial Highlights H1 2021

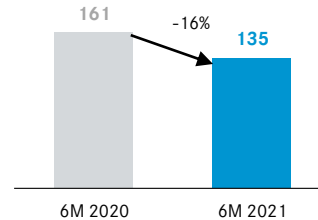
Revenues
(in m€)



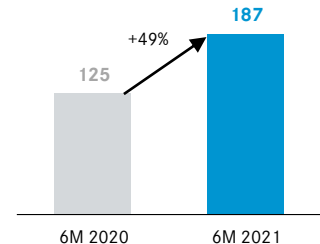
EBIT adjusted
(in m€)



Net income adj.
(in m€)



Free Cash Flow
(in m€)



OEM Segment

(in m €)	6M 2020	6M 2021	Change
Revenues	814	701	-14%
Military Business	183	187	2%
Commercial Business	631	515	-18%
EBIT adj.	128	113	-12%
EBIT adj. margin %	15.7%	16.0%	



- US\$ Commercial revenues down by 14%
- Military revenues up 2%
- EBIT margin stable

Commercial MRO

(in m €)	6M 2020	6M 2021	Change
Revenues	1,272	1,352	6%
EBIT adj.	96	77	-20%
EBIT adj. margin %	7.6%	5.7%	



- US\$ Revenues up by 14%
- EBIT margin down due to business mix (higher PW 1100G MRO share vs. lower Independent volume)

Guidance 2021

Organic revenue

Military

Up mid to high single digit



Commercial OE

Up low to mid single digit



Commercial Spares

Up low to mid single digit



Commercial MRO

MRO up ~15 to 20%
GTF contribution strongly growing



Total Group Sales:

4.3 – 4.5 bn €

EBIT adj. (margin)

~10 – 10.5%

Net Income adj.

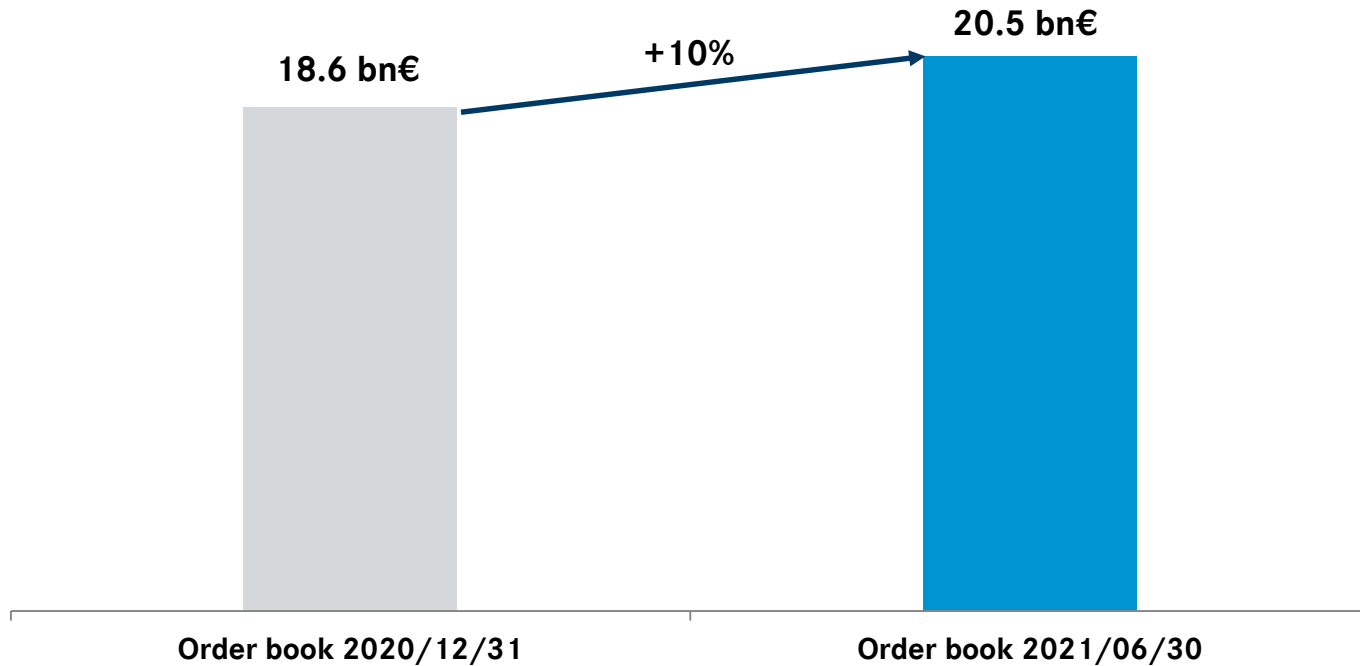
In line with EBIT adj.

CCR

Mid to high double digit % range

Appendix

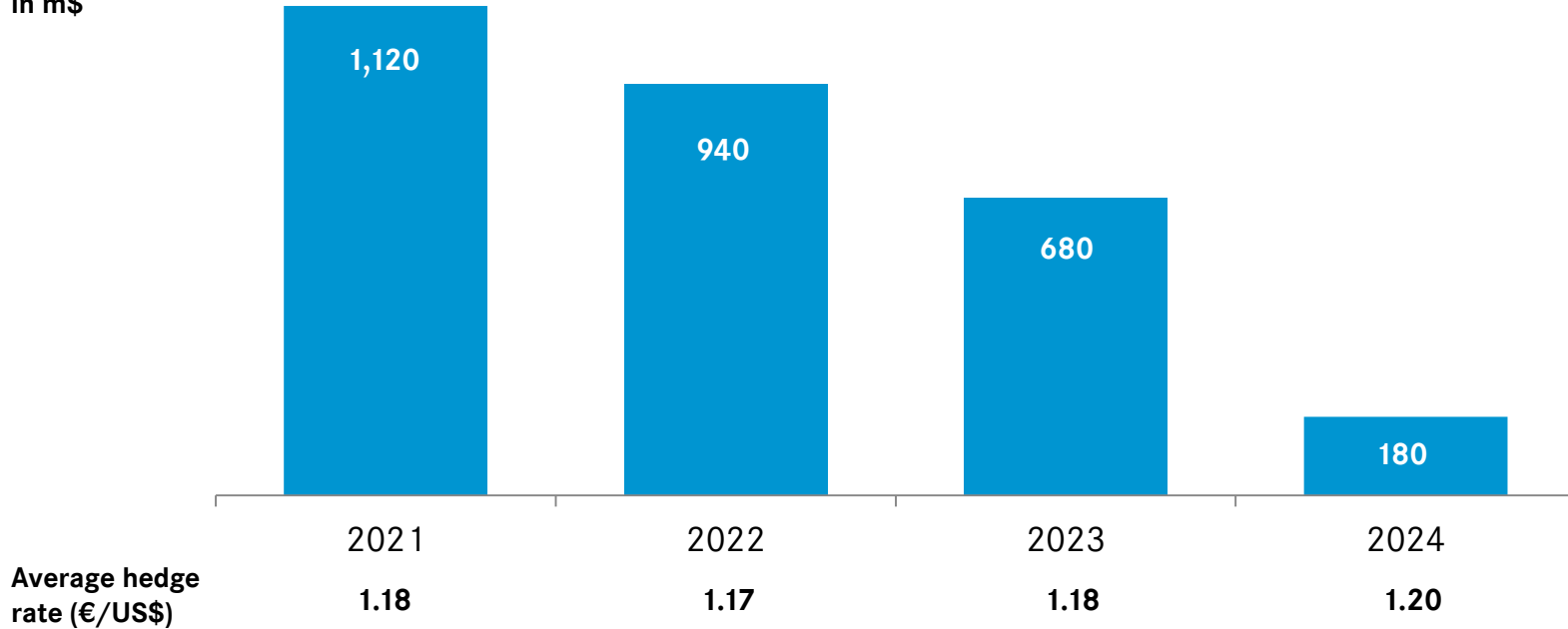
Group Order Book up 10%



US\$ Exchange Rate / Hedge Portfolio

Hedge book as of July 30th, 2021

in m\$



Profit & Loss

	(in m €)	Q2 2020	Q2 2021	Change	6M 2020	6M 2021	Change
Revenues		776	1,015	31%	2,049	2,004	-2%
Total cost of sales		-699	-860		-1,734	-1,714	
Gross profit		77	155	101%	315	290	-8%
Gross profit margin %		10.0%	15.3%		15.4%	14.5%	
R&D according to IFRS		-9	-21		-24	-37	
SG&A		-59	-53		-118	-103	
Other operating income (expense)		-3	-8		-7	-14	
P&L of companies accounted at equity and equity investments		24	20		33	32	
EBIT reported		30	93	209%	199	168	-16%
EBIT adjusted		42	103	144%	224	190	-15%
EBIT adjusted margin %		5.5%	10.2%		10.9%	9.5%	
Financial result		-16	-9		-22	-22	
Profit before tax (EBT)		14	83	>300%	177	146	-18%
Taxes (IFRS)		-1	-29		-52	-43	
Net Income reported		13	54	>300%	125	103	-18%
Net Income adj.		33	77		161	135	
EPS reported*		0.20	0.98		2.30	1.89	
EPS adj.		0.63	1.44		3.05	2.53	

* without non-controlling interests

Reconciliation to adjusted Key Performance Indicators

	(in m €)	Q2 2020	Q2 2021	Change	6M 2020	6M 2021	Change
EBIT reported		30	93	209%	199	168	-16%
Adjustment (PPA Depreciation & Amortization)		5	5		10	10	
Adjustment (IAE Upshare)		7	6		15	11	
EBIT adjusted		42	103	144%	224	190	-15%
thereof P&L of companies accounted "at equity"		24	19		33	31	
Interest result		-3	-8		-6	-15	
Interest for pension provisions		-2	-2		-5	-3	
EBT adj. w/o P&L "at equity"		14	75	>300%	181	140	-23%
Tax rate normalized		-29%	-23%*)		-29%	-26%	
Taxes		-4	-17		-53	-36	
Net Income adj.		33	77	131%	161	135	-16%
EPS adj.		0.63	1.44	129%	3.05	2.53	-17%

*) Q2 21 reflects normalization of tax rate of 26% in H1 21

Segment Revenues and EBIT adj.

	(in m €)	Q2 2020	Q2 2021	Change	6M 2020	6M 2021	Change
Revenues Group		776	1,015	31%	2,049	2,004	-2%
OEM Commercial		231	265	14%	631	515	-18%
OEM Military		86	100	17%	183	187	2%
MRO		477	674	41%	1,272	1,352	6%
Consolidation		-18	-24		-37	-50	
EBIT adjusted Group		42	103	144%	224	190	-15%
OEM (Commercial / Military)		12	66	>300%	128	113	-12%
MRO		31	38	25%	96	77	-20%
Consolidation		0	0		0	0	
EBIT adjusted margin Group		5.5%	10.2%		10.9%	9.5%	
OEM (Commercial / Military)		3.8%	18.0%		15.7%	16.0%	
MRO		6.4%	5.7%		7.6%	5.7%	

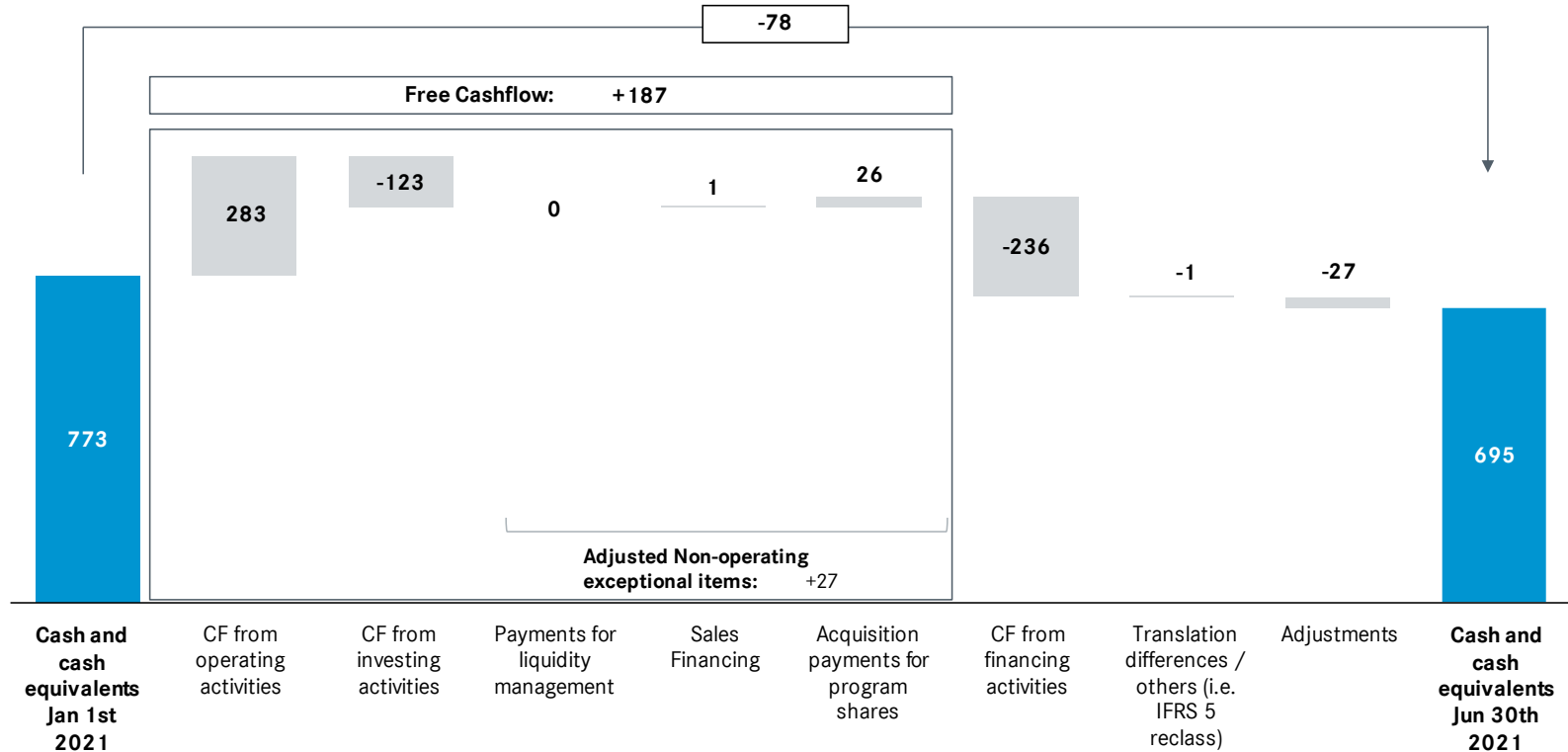
Research & Development

(in m €)	Q2 2020	Q2 2021	Change	6M 2020	6M 2021	Change
Total R&D	39	55	43%	98	102	4%
Customer funded R&D	-5	-16	-257%	-14	-27	-88%
Company expensed R&D	34	39	14%	84	75	-10%
Capitalization of R&D	-9	-12		-33	-23	
Amortisation	6	6		11	12	
Total R&D impact P&L (on EBIT)	31	33	7%	62	64	3%
thereof booked into sales and COGS	22	12		38	26	
thereof booked into R&D according to IFRS (P&L)	9	21		24	37	

Financial Result

(in m €)	Q2 2020	Q2 2021	Change	6M 2020	6M 2021	Change
Interest income	1	0	-62%	2	1	-60%
Interest expense	-4	-8	-123%	-8	-16	-115%
Interest result	-3	-8	-181%	-6	-15	-164%
Financial result on other items	-13	-2		-16	-7	
US\$ / non cash valuations / others	-11	0		-11	-4	
Interest for pension provisions	-2	-2		-5	-3	
Financial result	-16	-9	40%	-22	-22	-2%

MTU's Cash development January – June 2021



Cash Flow

	(in m €)	6M 2020	6M 2021	Change
Net Income IFRS		125	103	-18%
Depreciation and amortization		137	134	
Change in provisions and liabilities		-52	-42	
Change in working capital		28	78	
Taxes		11	-14	
Interest, derivatives, others		-20	24	
Cash Flow from operating activities		229	283	24%
Net Investment in intangible assets		-19	-52	
Net Investment in R&D payments and entry fees		-5	-9	
Net Capital expenditure on property, plant and equipment		-63	-63	
Net Investments in financial assets		-17	-1	
Cash Flow from investing activities		-104	-123	-18%
Adjustments		1	27	
Free Cash Flow		125	187	49%
Cash Flow from financing activities		47	-236	<-300%
Cash and cash equivalents at 30.06.		307	695	

Net debt

	(in m €)	31.12.2020	30.06.2021	Change
Bonds and notes		603	594	
Convertible bonds		538	532	
Promissory note		100	0	
Financial liabilities to bank		30	0	
thereof Revolving Credit Facility		0	0	
thereof bonds and notes		30	0	
Financial lease liabilities		177	165	
Loans from related companies and third parties		0	2	
Financial liabilities arising from program participation		138	135	
thereof arising from IAE V2500 Upshare		132	129	
Gross financial debt		1,586	1,428	-10%
Cash and cash equivalents		773	695	
Loans to third parties		33	35	
Financial assets		805	730	-9%
Net financial debt		781	698	-11%

Working capital

	(in m €)	31.12.2020	30.06.2021	Change
Inventories		1,279	1,280	
Prepayments		-457	-443	
Receivables		1,949	2,066	
Payables		-1,236	-1,446	
Working Capital		1,535	1,457	-5%

Balance Sheet

	(in m €)	31.12.2020	30.06.2021	Change
Intangible assets		1,135	1,154	
Property, plant, equipment		1,161	1,146	
other non-current assets		1,733	1,618	
Total non-current assets		4,030	3,918	-3%
Current assets		4,074	4,112	1%
IFRS 5 - Disposal groups of assets		0	68	n.a.
Total assets		8,104	8,099	0%
Equity		2,635	2,667	1%
Non-current liabilities		2,501	2,427	-3%
Current liabilities		2,968	2,966	0%
IFRS 5 - Disposal groups of liabilities		0	39	n.a.
Total equity and liabilities		8,104	8,099	0%
thereof pension provisions		1,009	968	

PPA Depreciation / Amortization

(in m €)	Q2 2020	Q2 2021	Change	6M 2020	6M 2021	Change
OEM	48	50		94	98	
MRO	23	18		42	36	
Total depreciation / amortization*	71	68	-5%	136	134	-2%
PPA OEM	5	5		9	9	
PPA MRO	1	1		1	1	
IAE Upshare OEM	7	6		15	11	
PPA depreciation / amortization & IAE Upshare amortization (EBIT adjustments)	13	11	-13%	25	22	-14%
OEM	36	39		70	77	
MRO	22	17		41	35	
Depreciation / amortization w/o PPA and w/o IAE Upshare	58	57	-3%	111	112	1%

* incl. amortization of intangible assets, capitalized program assets and purchased development

Cautionary note regarding forward-looking statements

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