**Press Release**

**MTU Aero Engines publishes half-year results and maintains full-year forecast**

- **Revenues up by 10% to €1,376.0 million**
- **New order intake increased by 17% to €1,304.9 million**
- **EBIT margin at 10.0% in line with expected level for 2009**

Munich, July 23, 2009 – For the first six months of 2009, MTU Aero Engines Holding AG reports a 10% increase in revenues to €1,376.0 million (1-6/08: €1,256.1 million). Excluding the effect of the U.S. dollar exchange rate, revenues have remained almost stable (down 2%). New order intake increased by 17% to €1,304.9 million (1-6/08: €1,119.0 million). Operating profit[1] for the six-month period amounted to €137.1 million (1-6/2008: €156.8 million). This figure reflects higher research and development expenses, ramp-up costs for new engine programs, and a shift in the business mix. The EBIT margin came to 10.0% and is thus in line with MTU's forecast for the full year. Net income for the six months to the end of June amounted to €55.7 million (1-6/08: €80.4 million). This decrease compared with the previous year is mainly attributable to a lower financial result due to valuation differences and the reduced operating profit.

"Measured against the present difficult market situation, we are satisfied with these results. We are maintaining our full-year forecast," said Egon Behle, CEO of MTU Aero Engines Holding AG. "We continue to be in a position to make substantial new program investments and thereby establish a firm basis for further profitable growth."

By the end of the financial year 2009, MTU expects revenues to reach the previous year's level of around €2,800 million (2008: €2,724.3 million). The company anticipates an EBIT margin (adjusted) in the region of 10%, compared with around 12% in 2008. In view of the planned investments to secure the company's future and the return to a normal tax rate, MTU expects its net profit to decrease to approximately €140 million in 2009. Year-end free cash flow is expected to lie in the range between €80 million and €100 million – even taking into account the forward-looking investments that necessarily lead to increased research and development expenditure in connection with the new engine programs.

The increase in revenues in the first two quarters of 2009 is mainly attributable to the positive development of MTU's commercial maintenance business where, compared with the equivalent period of 2008, revenues improved by 15% to €589.0 million (1-6/2008: €513.0 million). Excluding the effect of the U.S. dollar exchange rate, MRO revenues have remained stable. The V2500 engine that powers the Airbus A320 family was the most important source of revenues in the commercial maintenance sector.

[1] **EBIT adjusted = Earnings before interest and tax, calculated on a comparable basis**

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Revenues in the commercial engine business increased year on year by 7% to €570.2 million during the first six months of 2009 (1-6 / 2008: €530.9 million). Excluding the effect of the U.S. dollar exchange rate, revenues were 7% lower than in the equivalent period of 2008. The major part of these revenues, deriving from both new engines and spare parts, was generated by the V2500 engine for the Airbus A320 family, the PW2000 that powers the Boeing 757 and C-17, and the CF6-80C engine deployed in the Boeing 747 and the Airbus models A310 and A330. Revenues from the GP7000 engine for the A380 have been rising since it entered the full production phase.

Revenues in the military engine business remained stable at €231.9 million. The greater part of these revenues was generated by the EJ200 Eurofighter engine and by after-market sales for the RB199 Tornado engine.

At June 30, 2009, MTU's order backlog stood at €3,944.6 million (Dec. 31, 2008: €4,015.7 million), which is equivalent to 1.4 times annual revenues in 2008.

The lower overall EBIT margin of 10.0% (1-6 / 2008: 12.5%) is principally a result of reduced earnings in the OEM business, where EBIT has fallen to €98.4 million (1-6 / 2008: €140.6 million). The EBIT margin for the OEM business decreased accordingly from 18.5% in the first six months of 2008 to 12.3% in the same period of 2009. This decrease is the result of higher research and development expenses, ramp-up costs for new engine programs, and a shift in the business mix. MTU expects a year-end EBIT margin for the OEM business of 12 to 13%. Earnings in the commercial maintenance business have risen more than twofold, improving EBIT by 122% to €39.9 million (1-6 / 2008: €18.0 million). This in turn has boosted the EBIT margin for commercial MRO from 3.5% in the first six months of 2008 to 6.8% in the equivalent period of 2009. "These figures are clear testimony to the improved efficiency of our commercial MRO operations," said Chief Financial Officer Reiner Winkler. "We are counting on a similar level of performance in the second half of 2009 that will enable the commercial MRO business to finish the year with an EBIT margin of 6-7%."

Total research and development expenditure, at €93.9 million, was 20% higher than in the first six months of 2008 (1-6 / 08: €78.2 million). Company-funded R&D expenses increased by 48% to €53.1 million (1-6 / 08: €35.9 million). Research and development activities during the period under review focused essentially on emerging technologies and on the engine programs PW1000G for the Mitsubishi Regional Jet and Bombardier CSeries, GEnx for the Boeing 787 Dreamliner and Boeing 747-8, TP400-D6 for the A400M military transporter, and GE38 for the Sikorsky CH-53K heavy-lift transport helicopter.

MTU's free cash flow at the end of June 2009, at €66.7 million, was slightly lower than in the previous year (1-6 / 08: €77.2 million). Capital expenditure for the first six months of 2009 amounted to €59.6 million, compared with €56.0 million in the same period of 2008.

There has been little change in the number of MTU employees; the total of 7,555 at June 30, 2009 compares with 7,537 at December 31, 2008.

**MTU Aero Engines – Key financial data for January through June 2009**

*(Figures quoted in million €, calculated on a comparable basis. Statements prepared in accordance with IFRS. Figures calculated on a comparable basis apply adjustments to the IFRS consolidated results to exclude restructuring and transaction costs and the effects of IFRS purchase accounting.)*

| **MTU Aero Engines** | **H1 2009** | **H1 2008** | **Change** |
|---|---:|---:|---:|
| Revenues | 1,376.0 | 1,256.1 | + 9.5 % |
| of which OEM business | 802.1 | 758.1 | + 5.8 % |
| of which commercial engine business | 570.2 | 530.9 | + 7.4 % |
| of which military engine business | 231.9 | 227.2 | + 2.1 % |
| of which commercial MRO business | 589.0 | 513.0 | + 14.8 % |
| EBIT (adjusted) | 137.1 | 156.8 | - 12.6 % |
| of which OEM business | 98.4 | 140.6 | - 30.0 % |
| of which commercial MRO business | 39.9 | 18.0 | + 121.7 % |
| *EBIT margin* | *10.0 %* | *12.5 %* | |
| *in the OEM business* | *12.3 %* | *18.5 %* | |
| *in the commercial MRO business* | *6.8 %* | *3.5 %* | |
| Net income (IFRS) | 55.7 | 80.4 | - 30.7 % |
| Earnings per share (undiluted) | 1.14 € | 1.61 € | - 29.2 % |
| Free cash flow | 66.7 | 77.2 | - 13.6 % |
| Research and development expenses | 93.9 | 78.2 | + 20.1 % |
| of which company-funded R&D | 53.1 | 35.9 | + 47.9 % |
| of which outside-funded R&D | 40.8 | 42.3 | - 3.5 % |
| Capital expenditure | 59.6 | 56.0 | + 6.4 % |
| | **June 30, 09** | **Dec. 31, 08** | **Change** |
| Order backlog | 3,944.6 | 4,015.7 | - 1.8 % |
| of which OEM business | 3,774.4 | 3,884.5 | - 2.8 % |
| of which commercial MRO business | 170.2 | 131.4 | + 29.5 % |
| Employees | 7,555 | 7,537 | + 0.2 % |

MTU Aero Engines is the leading German manufacturer of aircraft engines and a major player in the industry. The company celebrates its 75th anniversary this year (2009). Together with its affiliates, MTU maintains a presence in all essential 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 largest independent provider of MRO services for commercial aero engines. MTU is a technological leader in high-pressure compressors, low-pressure turbines, manufacturing processes, and repair techniques.

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**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 cyclicality 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.