

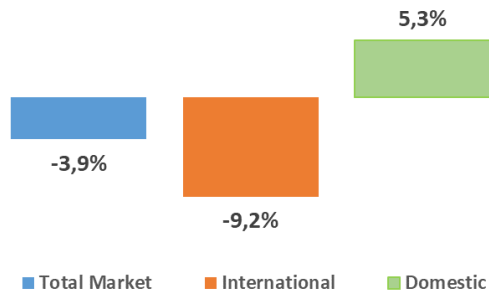


# H1 2023 Results

7/26/2023 / Call with Investors and Analysts

# H1 2023 Review

## Passenger Air Traffic – RPK\*) May 2023 vs. May 2019



- | Passenger traffic reaching 96.1% of May 2019 levels
- | Domestic traffic outperformed May 2019 levels
- | IATA expects air traffic to reach 88% of 2019 in 2023 and a full recovery in 2024
- | Strong market demand, but supply chain remains challenging

\*) Source IATA press release 6 July 2023, Industry Statistics June 2023

## Successful Paris Airshow



- | Over 1 bn US\$ order intakes
- | Guidance 2023 update at the Paris Airshow
- | MTU and Safran signed a MoU to develop technologies for new helicopter engine anticipating the European Next Generation Rotorcraft Technologies (ENGRT) project

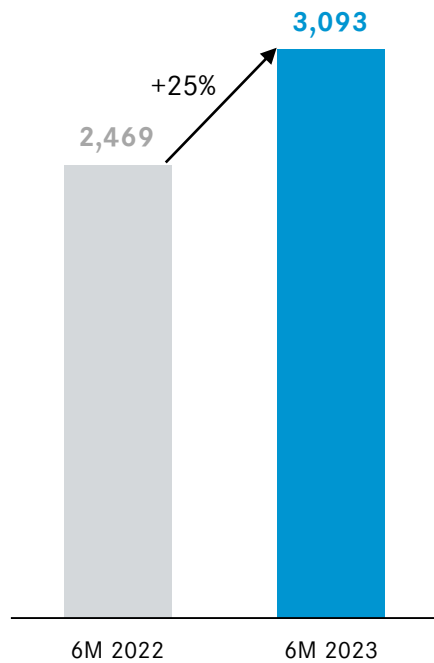
## Key GTF statements



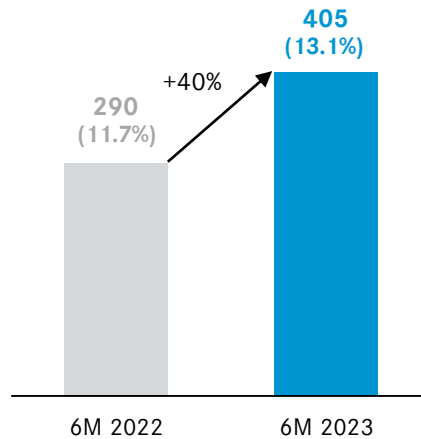
- | Fixes to improve durability underway
- | 60% of GTF fleet already received latest technical upgrades
- | GTF A with higher thrust, better fuel burn and better durability
- | HPT inspection program underway

# Financial Highlights H1 2023

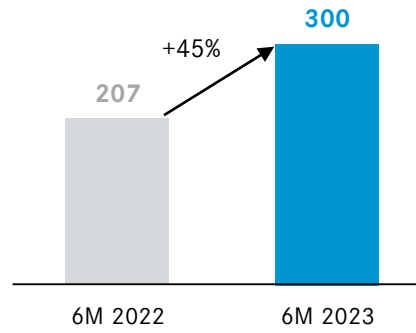
**Revenues**  
(in m€)



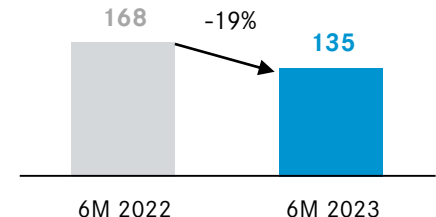
**EBIT adjusted**  
(in m€)



**Net income adj.**  
(in m€)



**Free Cash Flow**  
(in m€)



## OEM Segment

(in m €)	6M 2022	6M 2023	Change
<b>Revenues</b>	<b>810</b>	<b>1,061</b>	<b>31%</b>
Military Business	213	229	7%
Commercial Business	596	832	40%
<b>EBIT adj.</b>	<b>165</b>	<b>262</b>	<b>59%</b>
<b>EBIT adj. margin %</b>	<b>20.4%</b>	<b>24.7%</b>	



- Organic US\$ Commercial revenues up by 23%
- Military revenues up by 7%
- EBIT margin up due to business mix and underproportional cost in 6M 2023

## Commercial MRO

	(in m €)	6M 2022	6M 2023	Change
<b>Revenues</b>		1,711	2,081	22%
<b>EBIT adj.</b>		124	141	14%
<b>EBIT adj. margin %</b>		7.3%	6.8%	



- Organic US\$ revenues up by 20%
- EBIT adj. margin impacted by higher GTF share and less FX tailwinds

# Guidance 2023 updated at the Paris Air Show

## ORGANIC REVENUE

**Military**  
Up mid teens %



**Commercial OE**  
Up thirty %



**Commercial Spares**  
Up high teens to low twenties %



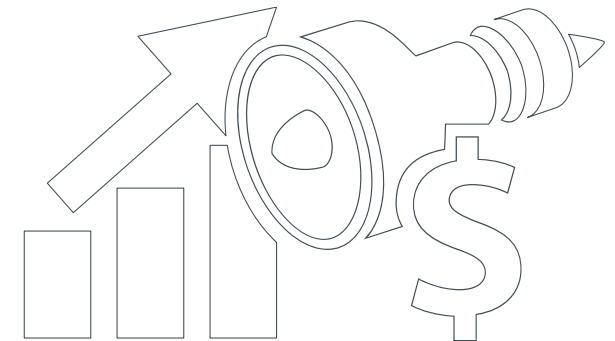
**Commercial MRO**  
MRO up high teens %  
GTF share at mid to high thirties % of revenue



**Total Group Sales**  
EUR 6.1 – 6.3 bn €

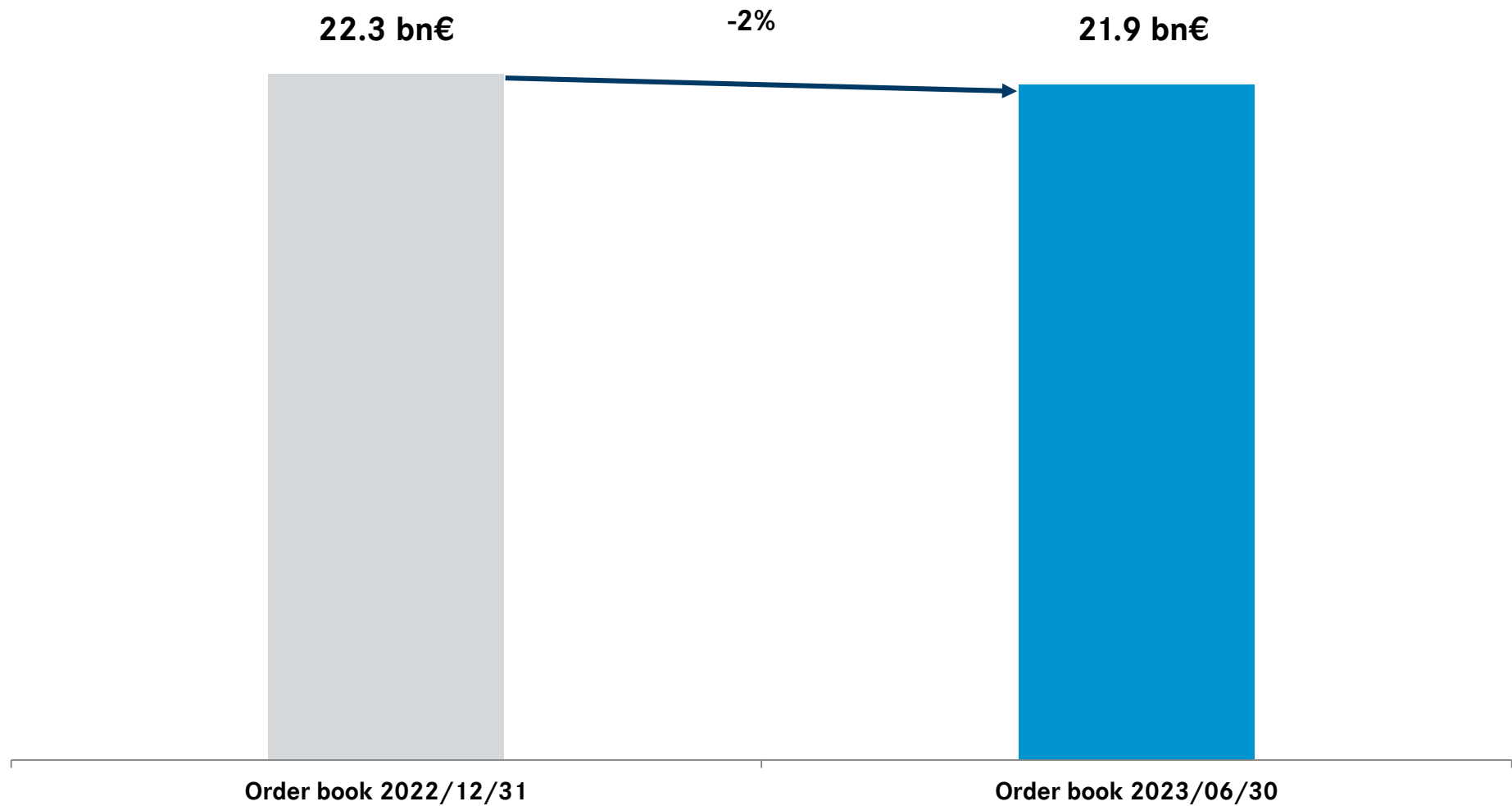
**EBIT adj.**  
>800 Mio €

**FCF adj.**  
> 2022 actuals



# Appendix

## Group Order Book almost stable

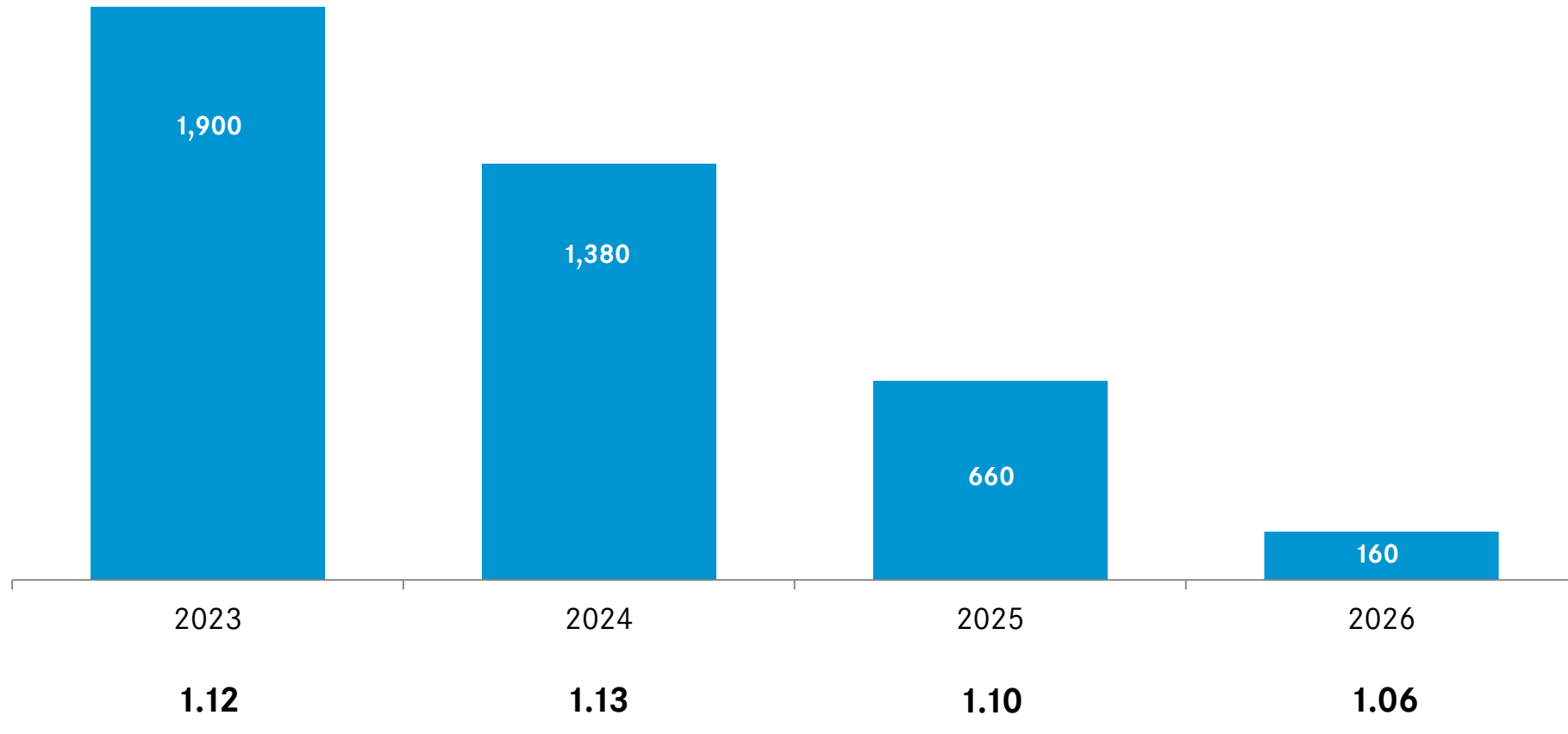




# US\$ Exchange Rate / Hedge Portfolio

Hedge book as of July 26th, 2023

in m\$



## Profit & Loss

	(in m €)	Q2 2022	Q2 2023	Change	6M 2022	6M 2023	Change
<b>Revenues</b>		<b>1,289</b>	<b>1,549</b>	<b>20%</b>	<b>2,469</b>	<b>3,093</b>	<b>25%</b>
Total cost of sales		-1,093	-1,302		-2,118	-2,573	
<b>Gross profit</b>		<b>197</b>	<b>247</b>	<b>26%</b>	<b>351</b>	<b>520</b>	<b>48%</b>
Gross profit margin %		15.3%	15.9%		14.2%	16.8%	
R&D according to IFRS		-23	-28		-47	-54	
SG&A		-66	-71		-134	-127	
Other operating income (expense)		-10	14		-14	3	
P&L of companies accounted at equity and equity investments		17	19		28	41	
<b>EBIT reported</b>		<b>115</b>	<b>181</b>	<b>58%</b>	<b>183</b>	<b>383</b>	<b>109%</b>
<b>EBIT adjusted</b>		<b>159</b>	<b>193</b>	<b>21%</b>	<b>290</b>	<b>405</b>	<b>40%</b>
<b>EBIT adjusted margin %</b>		<b>12.3%</b>	<b>12.5%</b>		<b>11.7%</b>	<b>13.1%</b>	
Financial result		-21	-10		-17	-21	
<b>Profit before tax (EBT)</b>		<b>94</b>	<b>171</b>	<b>82%</b>	<b>166</b>	<b>362</b>	<b>118%</b>
Taxes (IFRS)		-27	-49		-46	-106	
<b>Net Income reported</b>		<b>66</b>	<b>122</b>	<b>84%</b>	<b>120</b>	<b>256</b>	<b>113%</b>
Net Income adj.		114	143		207	300	
<b>EPS reported*</b>		<b>1.24</b>	<b>2.28</b>		<b>2.23</b>	<b>4.75</b>	
EPS adj.		2.14	2.66		3.88	5.60	

\* without non-controlling interests

## Reconciliation to adjusted Key Performance Indicators

	(in m €)	Q2 2022	Q2 2023	Change	6M 2022	6M 2023	Change
<b>EBIT reported</b>		<b>115</b>	<b>181</b>	<b>58%</b>	<b>183</b>	<b>383</b>	<b>109%</b>
Adjustment (PPA Depreciation & Amortization)		5	5		10	9	
Adjustment (IAE Upshare)		6	6		12	11	
Adjustment (Impairment / Ukraine Impacts)		33	-21		85	-21	
Adjustment (Exceptional Items Credit- and Litigation Risk)		0	22		0	22	
<b>EBIT adjusted</b>		<b>159</b>	<b>193</b>	<b>21%</b>	<b>290</b>	<b>405</b>	<b>40%</b>
thereof P&L of companies accounted "at equity"		17	19		27	41	
Interest result		-8	-1		-15	-1	
Interest for pension provisions		-3	-6		-5	-13	
<b>EBT adj. w/o P&amp;L "at equity"</b>		<b>131</b>	<b>167</b>	<b>27%</b>	<b>243</b>	<b>351</b>	<b>44%</b>
Tax rate normalized		-26%	-26%		-26%	-26%	
Taxes		-34	-43		-63	-91	
<b>Net Income adj.</b>		<b>114</b>	<b>143</b>	<b>25%</b>	<b>207</b>	<b>300</b>	<b>45%</b>
EPS adj.		2.14	2.66	24%	3.88	5.60	45%

## Segment Revenues and EBIT adj.

	(in m €)	Q2 2022	Q2 2023	Change	6M 2022	6M 2023	Change
<b>Revenues Group</b>		<b>1,289</b>	<b>1,549</b>	<b>20%</b>	<b>2,469</b>	<b>3,093</b>	<b>25%</b>
OEM Commercial		318	387	21%	596	832	40%
OEM Military		106	126	19%	213	229	7%
MRO		892	1,060	19%	1,711	2,081	22%
Consolidation		-26	-24		-51	-49	
<b>EBIT adjusted Group</b>		<b>159</b>	<b>193</b>	<b>21%</b>	<b>290</b>	<b>405</b>	<b>40%</b>
OEM (Commercial / Military)		87	121	39%	165	262	59%
MRO		72	72	0%	124	141	14%
Consolidation		0	0		0	1	
<b>EBIT adjusted margin Group</b>		<b>12.3%</b>	<b>12.5%</b>		<b>11.7%</b>	<b>13.1%</b>	
OEM (Commercial / Military)		20.5%	23.6%		20.4%	24.7%	
MRO		8.1%	6.8%		7.3%	6.8%	

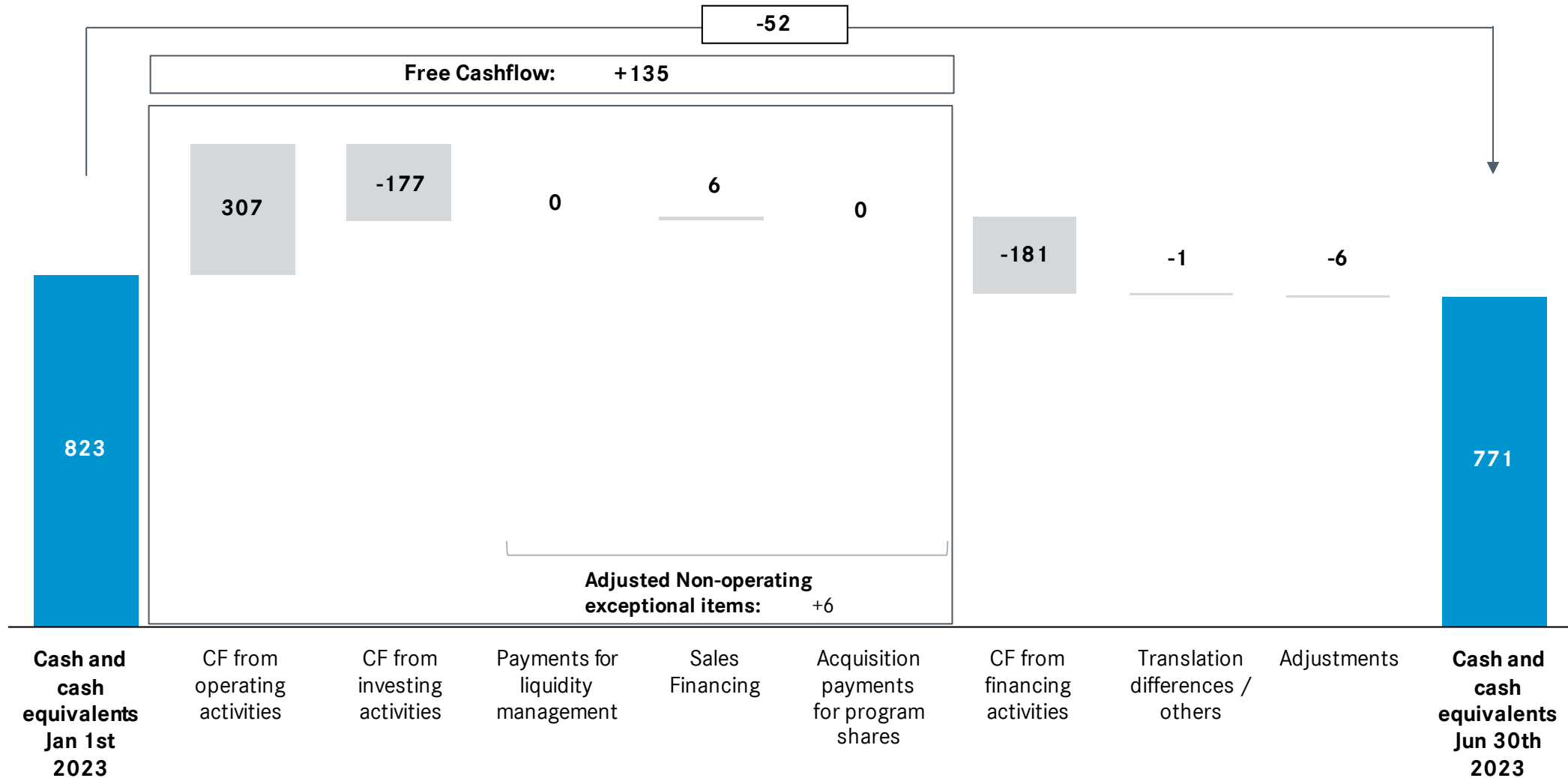
## Research & Development

(in m €)	Q2 2022	Q2 2023	Change	6M 2022	6M 2023	Change
<b>Total R&amp;D</b>	72	90	26%	135	158	17%
<b>Customer funded R&amp;D</b>	-17	-18	-6%	-34	-39	-14%
<b>Company expensed R&amp;D</b>	54	72	32%	101	119	18%
Capitalization of R&D	-23	-35		-37	-47	
Amortisation	9	8		15	15	
Impairment	24	0		63	0	
<b>Total R&amp;D impact P&amp;L (on EBIT)</b>	65	45	-31%	141	86	-39%
thereof booked into sales and COGS	42	17		94	32	
thereof booked into R&D according to IFRS (P&L)	23	28		47	54	

## Financial Result

	(in m €)	Q2 2022	Q2 2023	Change	6M 2022	6M 2023	Change
Interest income		-1	6	>300%	1	12	>300%
Interest expense		-7	-7	7%	-15	-13	16%
<b>Interest result</b>		<b>-8</b>	<b>-1</b>	<b>92%</b>	<b>-15</b>	<b>-1</b>	<b>96%</b>
<b>Financial result on other items</b>		<b>-13</b>	<b>-10</b>		<b>-3</b>	<b>-21</b>	
US\$ / non cash valuations / others		-10	-3		3	-8	
Interest for pension provisions		-3	-6		-5	-13	
<b>Financial result</b>		<b>-21</b>	<b>-10</b>	<b>51%</b>	<b>-17</b>	<b>-21</b>	<b>-24%</b>

## MTU's Cash development January – June 2023



## Cash Flow

	(in m €)	6M 2022	6M 2023	Change
<b>Net Income IFRS</b>		<b>120</b>	<b>256</b>	<b>113%</b>
Depreciation and amortization		206	155	
Change in provisions and liabilities		100	25	
Change in working capital		-168	-205	
Taxes		0	61	
Interest, derivatives, others		61	15	
<b>Cash Flow from operating activities</b>		<b>318</b>	<b>307</b>	<b>-4%</b>
Net Investment in intangible assets		-27	-27	
Net Investment in R&D payments and entry fees		-24	-21	
Net Capital expenditure on property, plant and equipment		-91	-112	
Net Investments in financial assets		-12	-17	
<b>Cash Flow from investing activities</b>		<b>-155</b>	<b>-177</b>	<b>-14%</b>
Adjustments		4	6	
<b>Free Cash Flow</b>		<b>168</b>	<b>135</b>	<b>-19%</b>
<b>Cash Flow from financing activities</b>		<b>-158</b>	<b>-181</b>	<b>-15%</b>
Cash and cash equivalents at 30.06.		733	771	



## Net debt

	(in m €)	31.12.2022	30.06.2023	Change
Bonds and notes		605	612	
Convertible bonds		531	487	
Financial liabilities to bank		0	47	
Revolving Credit Facility		0	0	
Financial lease liabilities		166	148	
Loans from related companies and third parties		0	4	
Other financing liabilities (financing component)		333	314	
thereof arising from acquisition of program participations		114	95	
thereof from compensation payments due to program participations		219	219	
<b>Gross financial debt</b>		<b>1,635</b>	<b>1,612</b>	<b>-1%</b>
Cash and cash equivalents		823	771	
Loans to third parties		60	64	
<b>Financial assets</b>		<b>883</b>	<b>835</b>	<b>-5%</b>
<b>Net financial debt</b>		<b>753</b>	<b>777</b>	<b>3%</b>

## Working capital

	(in m €)	31.12.2022	30.06.2023	Change
Inventories		1,514	1,512	
Prepayments		-363	-319	
Receivables		2,710	2,817	
Payables		-1,960	-1,903	
<b>Working Capital</b>		<b>1,901</b>	<b>2,108</b>	<b>11%</b>

## Balance Sheet

	(in m €)	31.12.2022	30.06.2023	Change
Intangible assets		1,151	1,154	
Property, plant, equipment		1,384	1,406	
other non-current assets		1,611	1,603	
<b>Total non-current assets</b>		<b>4,146</b>	<b>4,162</b>	<b>0%</b>
<b>Current assets</b>		<b>5,085</b>	<b>5,118</b>	<b>1%</b>
<b>Total assets</b>		<b>9,230</b>	<b>9,280</b>	<b>1%</b>
<b>Equity</b>		<b>3,107</b>	<b>3,268</b>	<b>5%</b>
<b>Non-current liabilities</b>		<b>2,343</b>	<b>2,232</b>	<b>-5%</b>
<b>Current liabilities</b>		<b>3,780</b>	<b>3,779</b>	<b>0%</b>
<b>Total equity and liabilities</b>		<b>9,230</b>	<b>9,280</b>	<b>1%</b>
thereof pension provisions		707	721	

## PPA Depreciation / Amortization

	(in m €)	Q2 2022	Q2 2023	Change	6M 2022	6M 2023	Change
OEM		78	53		166	103	
MRO		23	25		40	51	
<b>Total depreciation / amortization*</b>		<b>101</b>	<b>78</b>	<b>-23%</b>	<b>207</b>	<b>154</b>	<b>-25%</b>
PPA OEM		5	5		9	9	
PPA MRO		0	0		1	0	
IAE Upshare OEM		6	6		12	11	
<b>PPA depreciation / amortization &amp; IAE Upshare amortization (EBIT adjustments)</b>		<b>11</b>	<b>10</b>	<b>-4%</b>	<b>22</b>	<b>21</b>	<b>-5%</b>
OEM		67	42		146	83	
MRO		23	25		39	51	
<b>Depreciation / amortization w/o PPA and w/o IAE Upshare</b>		<b>90</b>	<b>68</b>	<b>-25%</b>	<b>185</b>	<b>134</b>	<b>-28%</b>

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

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