MTU Aero Engines

HALF-YEAR FINANCIAL REPORT

MTU AERO ENGINES AG

25

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Half-Year Financial Report 2025

January 1 to June 30, 2025

Key facts and figures

Key facts and figures for the Group

in € million (unless stated otherwise)	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024	Year-on-year change in € million	Year-on-year change in %
Income statement				
Revenue	4,197	3,389	808	23.9
Adjusted revenue	4,141	3,429	711	20.7
Gross profit	828	569	259	45.5
Adjusted gross profit	781	619	162	26.2
Earnings before interest and taxes (EBIT)	704	421	283	67.3
Adjusted earnings before interest and taxes (adjusted EBIT)	657	470	186	39.6
Earnings before tax	723	399	325	81.4
Net income	513	288	224	77.9
Adjusted net income	479	342	137	40.1
Basic earnings per share (in €)	9.37	5.30	4.07	76.8
Diluted earnings per share (in €)	9.17	5.20	3.97	76.3
Adjusted earnings per share (in €)	8.76	6.31	2.44	38.7
Revenue margins in %				
Earnings before interest and taxes (EBIT)	16.8	12.4		
Adjusted earnings before interest and taxes (adjusted EBIT)	15.9	13.7		
Earnings before tax	17.2	11.8		
Net income	12.2	8.5		
Adjusted net income	11.6	10.0		
Cash flow				
Cash flow from operating activities	414	350	64	18.4
Cash flow from investing activities	–212	–225	13	6.0
Free cash flow (adjusted)	212	105	106	>100
Cash flow from financing activities	–658	131	–789	<-100
Change in cash and cash equivalents	–474	262	–736	<-100

in € million (unless stated otherwise)	June 30, 2025	Dec 31, 2024	Year-on-year change in € million	Year-on-year change in %
Balance sheet				
Intangible assets & goodwill	1,429	1,313	116	8.8
Cash and cash equivalents	1,273	1,747	–474	–27.1
Pension provisions	713	724	–11	–1.5
Equity	3,909	3,438	471	13.7
Net financial debt	1,147	1,061	86	8.1
Order backlog	**25,037**	**28,730**	**–3,693**	**–12.9**
Number of employees	**13,211**	**12,892**	**319**	**2.5**
Commercial and military engine business (OEM)	8,022	7,837	185	2.4
Commercial maintenance business (MRO)	5,189	5,055	134	2.7

Interim Group management report

The MTU Group

MTU's portfolio covers the entire lifecycle of commercial and military aircraft engines and aero-derivative industrial gas turbines. The company's activities range from development, manufacturing and marketing to maintenance.

Research and development

The pace of technological development in the aviation sector is very high and requires continual innovation. Alongside ongoing development of the commercial and military engine programs in which MTU is currently involved, development work at MTU includes work on German and EU development programs for future engine programs.

Research and development expenses developed as follows in the reporting period:

Research and development expenses

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024	Year-on-year change in € million	Year-on-year change in %
Commercial engine business (OEM)	138	138	0	0.3
Military engine business (OEM)	50	39	11	27.1
Commercial maintenance business (MRO)	2	2	0	2.7
Total research and development expenses	**190**	**179**	**11**	**6.2**
Refund of research and development expenses	-62	-52	-11	-20.7
Research and development expenses – own contribution	**128**	**128**	**0**	**0.3**
Expenditure meeting recognition criteria for intangible assets				
Commercial and military engine business (OEM)	-64	-62	-2	-2.7
Amortization of previously capitalized development expenses	17	17	0	2.8
Research and development expenses – effect on profit or loss	**82**	**83**	**-1**	**-0.9**
thereof: in gross profit	35	34	1	3.1
thereof: in functional costs – research and development	47	49	-2	-3.7

A distinction is made between company- and customer-funded research and development expenses. Company-funded projects are funded out of the Group’s own resources, while customer-funded projects are ordered and paid for by customers. The company-funded research and development expenses are presented in Note 3 to the condensed consolidated interim financial statements (“Research and development expenses”). On the other hand, the customer-funded projects and the compensation payments made in connection with stakes in commercial engine programs are reported within revenue.

No impairment losses were recognized in this connection in either the reporting period or the comparative prior-year period.

Economic report

Macroeconomic conditions

Uncertainty and rapidly changing conditions are dominating global economic sentiment. The first half of 2025 saw a significant increase in global trade barriers and growing economic uncertainty, which had a negative impact on business and consumer confidence. The U.S. economy, for example, contracted in the first quarter of 2025 for the first time in three years. According to the Bureau of Economic Analysis, gross domestic product (GDP) shrank by 0.5%.

Despite this decline, domestic demand in the U.S. remained robust. Companies and consumers expedited their imports in anticipation of expected tariff increases, which helped to temporarily cushion the impact of import tariffs.

In anticipation of higher U.S. tariffs, U.S. imports were brought forward to the first quarter, which in turn shored up growth in Europe and China. Economic performance in the Eurozone was stronger than expected in the first quarter of 2025, with growth mainly driven by capital spending and exports. GDP grew by 0.6% compared with the previous quarter (source: Eurostat). Germany was the main driver, recording growth of 0.4% in the first quarter after its economy contracted by 0.2% in the last quarter of the previous year. China's economic growth also exceeded expectations in the first quarter, bolstered by solid consumption and high industrial production. GDP in China grew by 5.4% compared with the previous quarter.

The combination of escalating trade conflicts and military tensions in the Middle East led to highly volatile crude oil prices in the first half of 2025. The price of Brent fluctuated between U.S.$60 and U.S.$80 per barrel, influenced by the prevailing market conditions (cold winters in the U.S. and Europe, U.S. tariff announcements on April 2, and the conflict between Israel and Iran) (source: Trading Economics). The Brent price averaged U.S.$71 per barrel in June, remaining below the 2024 level (U.S.$81) (source: U.S. Energy Information Administration).

Sector-specific conditions within the aviation industry

The aviation industry too is operating in this challenging macroeconomic climate, which has caused a noticeable slowdown in demand for air travel, particularly in North America. Last December, IATA predicted an 8% increase in global passenger traffic for 2025, yet only 5.8% was recorded in the first five months of this year. Economic uncertainty and a decline in business travel weighed on the U.S. domestic market (-1% year-on-year in the first five months), while negative consumer sentiment toward U.S. policy curbed tourist arrivals and contributed to weak growth of 1.8% in North American international traffic. Demand in the rest of the world was stronger, with growth of 9.5% in the Asia-Pacific region and 5.3% in Europe.

The introduction of new U.S. tariffs and the abolition of the de minimis exemption led to significant disruptions in established air freight flows. Many airlines were forced to adjust or reroute their capacity on certain routes. Global air cargo traffic grew by 3.2% in the first five months, well below IATA's original outlook of 6% for 2025. After the rush to expedite U.S. imports subsided, cargo traffic in North America fell by 5.8% year-on-year in May.

The unexpectedly sluggish growth in passenger demand comes at a time when the market is still suffering from a structural shortage of aircraft. The order backlog for Airbus, Boeing and COMAC stood at 15,904 aircraft orders in June 2025, which, based on 2024 production rates, equates to a record production workload of 14 years. Despite ongoing production supply chain constraints, Airbus and Boeing managed to increase deliveries to 583 aircraft in the first half of 2025, which is a 17% increase on the same period in 2024. The fleet of operational passenger aircraft with more than 100 seats grew by 3% year-on-year to 24,489 in June 2025 (source: Cirium). Many airlines recommissioned older, previously parked aircraft. The park rate fell from 11% in June 2024 to 10% in June 2025. However, this increased the average fleet age with a corresponding impact on maintenance expenses and operating costs.

Financial situation

Information on exchange rates

The development of the U.S. dollar is also particularly important for MTU's international business. The U.S. dollar exchange rate was U.S.$1.17 per €1 as of June 30, 2025 (December 31, 2024: U.S.$1.04 per €1). The average exchange rate in the period from January 1 through June 30, 2025 was U.S.$1.09 per €1 (H1 2024: U.S.$1.08 per €1).

Results of operations

Reconciliation to adjusted key financial figures – results of operations

Reconciliation of the consolidated income statement

in € million	1.1. – 30.6.2025 As reported	1.1. – 30.6.2025 Special item	1.1. – 30.6.2025 Adjusted figures	1.1. – 30.6.2024 As reported	1.1. – 30.6.2024 Special item	1.1. – 30.6.2024 Adjusted figures
Revenue	**4,197**	**-57**	**4,141**	**3,389**	**40**	**3,429**
thereof: special item "effects from GTF™ fleet management plan" (OEM segment)		-70	-70		28	28
thereof: special item "effects from increase in the stake in IAE/V2500" (OEM segment)		13	13		12	12
Cost of goods sold	-3,369	9	-3,360	-2,820	9	-2,810
thereof: special item "effects of purchase price allocation" (OEM segment)		9	9		9	9
Gross profit	**828**	**-48**	**781**	**569**	**49**	**619**
Research and development expenses	-47		-47	-49		-49
Selling expenses	-82		-82	-68		-68
General administrative expenses	-78		-78	-61		-61
Other operating income and expenses	-19		-19	-16		-16
Profit/loss of companies accounted for using the equity method and of equity investments	102		102	45		45
Earnings before interest and taxes (EBIT)	**704**	**-48**	**657**	**421**	**49**	**470**
Net interest income/expense	-24		-24	-5		-5
Other financial income – interest included in the measurement of pensions	-14		-14	-13		-13
Other financial income/expense – miscellaneous (e.g. measurement of foreign currency holdings)	57	-57	0	-4	4	0
Earnings before income taxes	**723**	**-104**	**619**	**399**	**54**	**452**
Income taxes	-211		-211	-111		-111
Adjustment based on normalized income taxes		71	71		1	1
Net income	**513**	**-33**	**479**	**288**	**54**	**342**

This reconciliation of the consolidated income statement is used to eliminate special items, in particular material and above all aperiodic contributions to operating earnings from the key financial figures of the Group and its business segments. The aim is to measure the success of managing operating activities in the reporting period and, at the same time, to provide financial information for efficient comparison with different periods and companies. The adjusted figures do not come under the provisions of the International Financial Reporting Standards (IFRSs); they are to be seen as an addition to the key financial performance figures reported pursuant to IFRS in the sense of alternative performance measures (APM).

To describe financial performance, MTU reports the following adjusted key figures:

/ adjusted revenue (revenue, adjusted)
/ adjusted earnings before interest and taxes (EBIT, adjusted), the adjusted EBIT margin (EBIT margin, adjusted)
/ adjusted net income (net income, adjusted)

Adjusted revenue

Revenue determined in accordance with IFRS standards is adjusted for the special items "effects from the increase in the stake in IAE V2500", "effects from the GTF™ fleet management plan" and "significant non-period earnings impacts" covered in the *section on adjusted EBIT and adjusted EBIT margin*, in order to calculate adjusted revenue for the aforementioned purpose of providing adjusted key figures.

Adjusted revenue was €4,141 million in the first six months of 2025 (January through June 2024: €3,429 million).

Adjusted EBIT and adjusted EBIT margin

To determine the adjusted EBIT, the EBIT result calculated in accordance with IFRS standards is adjusted for the following special items in view of the aforementioned aim of providing adjusted financial KPIs:

- "Effects of the purchase price allocation": As of January 1, 2004, MTU passed into the ownership of Kohlberg Kravis Roberts & Co. Ltd. (KKR), following the latter's purchase of 100% of the MTU shares from the then DaimlerChrysler AG. In the context of the acquisition, assets, liabilities and contingent liabilities were identified in accordance with IFRS 3 and measured at fair value. Since then, the identified intangible assets, in particular, have resulted in substantial amortization. The resulting earnings impacts are eliminated as special items in the reconciliation to adjusted EBIT.
- "Effects from the increase in the stake in IAE V2500": The increase in MTU's stake in the Pratt & Whitney IAE V2500 program in 2012 was accounted for as the addition of a program asset. Since then, this asset has been amortized over the expected remaining useful life of the program, thereby reducing revenue, and the corresponding earnings impact is eliminated as a special item in the reconciliation to adjusted EBIT.
- "Effects from the GTF™ fleet management plan": In 2023, significant compensation for PW1100G-JM program customers was approved as part of the GTF™ fleet management plan. Based on its stake in the PW1100G JM program consortium, MTU has obligations to the OEM Pratt & Whitney and accrued refund liabilities for this purpose, thereby reducing revenue. Impacts on profit and loss related to the initial recognition and any subsequent measurement of these refund liabilities are eliminated as a special item in the reconciliation to adjusted EBIT.
- "Significant non-period earnings impacts": Taking the materiality criterion defined for the reporting period (threshold: €45 million) into account, significant non-period earnings impacts are eliminated for the reconciliation to adjusted EBIT. This was primarily applied to significant earnings impacts due to impairment losses, legal/litigation risks, restructuring programs and changes in the consolidated group. The materiality criterion in the form of a threshold was defined from fiscal year 2024 onward.

The adjusted EBIT margin is calculated as the proportion of adjusted EBIT to adjusted revenue and expressed as a percentage.

Adjusted net income

The EBIT earnings indicator determined in accordance with IFRS standards is first adjusted for the special items "effects from the increase in the stake in IAE V2500", "effects from the GTF™ fleet management plan" and "significant non-period earnings impacts" covered in the *section on adjusted EBIT and adjusted EBIT margin*, in order to calculate adjusted earnings before income taxes for the aforementioned purpose of providing adjusted key figures.

Subsequently, net interest income/expense and the interest shares in other financial income/expense, which are mainly connected with provisions for pensions and liabilities from pensions and plan assets, are added to adjusted EBIT. None of the other components of financial income/expense, especially those that are influenced by foreign currency effects, such as the effects of exchange-rate hedging, are taken into account. Lastly, "normalized" taxes on income and earnings are then deducted from the adjusted earnings before tax, which then define the adjusted net income. "Normalized taxes" are calculated using a normalized Group tax rate of 27%, whereby the profit/loss of companies accounted for using the equity method included in the adjusted earnings before tax do not form part of the tax base.

Order backlog

MTU's order backlog consists of firm customer orders that commit the Group to delivering products or providing services, plus the contractual value of service agreements. As of June 30, 2025, the order backlog was approximately €25.0 billion (December 31, 2024: €28.7 billion), corresponding to a theoretical production workload of nearly three years. The change during the reporting period was influenced by exchange rate movements in the U.S. dollar.

Revenue

Revenue increased by €808 million (23.9%) year-on-year to €4,197 million in the first six months of 2025.

Revenue from commercial and military engine business rose by €332 million (29.3%) to €1,468 million. The increase in revenue was driven in particular by an increase in new engine business, especially the GTF™ programs, and in the spare parts business. Revenue development was also influenced by the change in the U.S. dollar exchange rate from U.S$1.04 per euro on December 31, 2024 to U.S.$1.17 per euro at the reporting date, particularly taking into account the measurement of refund liabilities in foreign currencies at the reporting date.

In the commercial maintenance business, revenue increased by €495 million to €2,799 million, driven in particular by additional maintenance business for engines in the narrowbody segment, such as the PW1100G-JM and V2500, and in the widebody segment, such as the CF6-80, GEnx and GE90. Engine leasing business saw a corresponding increase in the reporting period.

Adjusted revenue increased by €711 million (20.7%) year-on-year to €4,141 million.

Cost of goods sold and gross profit

As a result of the increased business volume and the product mix achieved, the cost of goods sold increased by €549 million (19.5%) year-on-year to €3,369 million in the first six months of 2025. This increase was in line with revenue growth. While inflation effects drove up costs, price increases and economies of scale realized in relation to the utilization of production and service capacity compared with the prior-year period helped to mitigate this.

At €828 million in the first six months, gross profit was €259 million (45.5%) up on the prior year. This increase resulted principally from the positive development of business in both segments. The gross margin improved compared with the first half of 2024, from 16.8% to 19.7%. The adjusted gross margin increased from 18.0% to 18.9%.

Earnings before interest and taxes (EBIT)

Earnings before interest and taxes rose by €283 million (67.3%) to €704 million in the first six months of 2025 (January through June 2024: €421 million). As such, the EBIT margin improved from 12.4% to 16.8%. In both the OEM segment and the MRO segment, the year-on-year increase in EBIT was attributable to the change in gross profit as well as higher earnings contributions from companies accounted for using the equity method. Higher other function costs opposed this to some extent.

Adjusted earnings before interest and taxes improved to €657 million (January through June 2024: €470 million), resulting in an adjusted EBIT margin of 15.9% (January through June 2024: 13.7%) (see table "Reconciliation of the consolidated income statement").

Net financial income/expense

Net financial expense came to €19 million in the reporting period (January through June 2024: €22 million). An improvement in the other financial result, which benefited from the effects of U.S. dollar exchange rate movements, more than offset the change in net interest income/expense, which was affected by extensive refinancing activities in the previous year.

Earnings before income taxes

Earnings before income taxes rose by €325 million to €723 million in the first six months of 2025 (January through June 2024: €399 million).

Net income

Net income increased to €513 million (January through June 2024: €288 million). Net income attributable to shareholders of MTU Aero Engines AG stood at €504 million (January through June 2024: €285 million). Adjusted net income came to €479 million, which was €137 million higher than in the same period of the prior year (January through June 2024: €342 million).

Consolidated statement of comprehensive income

In the consolidated statement of comprehensive income, the net income of €513 million (January through June 2024: €288 million) is reconciled with the total comprehensive income for the period of €597 million (January through June 2024: €294 million).

Income and expense items directly recognized in other comprehensive income in the first six months of 2025, net of deferred taxes, mainly comprised positive changes in the fair value of cash flow hedges totaling €186 million (January through June 2024: negative changes in fair value of €34 million), negative effects from currency translation of foreign Group companies totaling €116 million (January through June 2024: positive effects of €22 million) and actuarial gains, particularly from changes in the discount rate in connection with the measurement of pension obligations and plan assets totaling €14 million (January through June 2024: actuarial gains of €18 million).

Of the total comprehensive income for the period of €597 million (January through June 2024: €294 million), €598 million is attributable to shareholders of MTU Aero Engines AG (January through June 2024: €289 million).

Financial position

The principles and objectives of financial management are outlined on page 69 et seq. of the Annual Report 2024 and are still applied unchanged by the Group. The following changes arose compared with the consolidated financial statements as of December 31, 2024:

The corporate bond with a nominal value of €500 million and a maturity date of July 1, 2025 was repaid early on April 14, 2025.

The Group’s borrowing still comprises bonds, notes denominated in euros and convertible bonds.

Reconciliation to adjusted key financial performance figures – Financial position

The reconciliation of the cash flow statement serves to factor special items, especially those amounts recognized in non-recurring cash flows that are material and, above all, refer to other periods, out of the key financial performance figures of the Group and its segments. The aim is to measure the success of managing operating activities in the reporting period and, on the other hand, provide financial information for efficient comparison with different periods and companies. The adjusted liquidity figures do not come under the provisions of the International Financial Reporting Standards (IFRSs); they are to be seen as an addition to the key financial indicators reported pursuant to IFRS in the sense of alternative performance measures (APM).

With regard to its liquidity analysis, MTU reports the adjusted financial KPI: adjusted free cash flow (free cash flow (adjusted)).

Adjusted free cash flow

MTU determines its adjusted free cash flow by combining its cash flows from operating activities with its cash flows from investing activities, as calculated in accordance with IFRS regulations. In order to meet the aforementioned aim of providing adjusted financial performance indicators, the following non-recurring cash flows were eliminated from this total:

- “Effects from liquidity management”: Cash flows related to interest-bearing, non-speculative financial investments within the scope of liquidity management.
- “Effects from sales financing”: Cash flows related to participation in interest-bearing sales financing arrangements.
- “Material aperiodic non-recurring cash flows”: Taking the materiality criterion defined for the reporting period (threshold: €45 million) into account, material aperiodic cash flows were eliminated for the reconciliation to adjusted free cash flow.
- Basic use cases for this are cash flows in connection with changes to the scope of consolidation (M&A activities), the stakes in OEM engine program investments (new entry, increase, sale) and the change in stakes in MRO program investments (new entry, increase, sale). The materiality criterion in the form of a threshold was defined from fiscal year 2024 onward.

Accordingly, net cash outflows from aircraft and engine financing transactions (“effects from sales financing”) of €9 million (January through June 2024: cash inflows of €19 million) were eliminated when calculating the free cash flow for the reporting period. No other categories of non-recurring cash flows were recorded in either the first half of 2025 or the first half of 2024, so no further adjustments were necessary.

Free cash flow was €212 million on this basis in the first six months of 2025 (January through June 2024: €105 million).

Financial position

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024	Year-on-year change in € million	Year-on-year change in %
Cash flow from operating activities	414	350	64	18.4
Cash flow from investing activities	–212	–225	13	6.0
+ Adjustment non-recurring cash flows	9	–19	28	>100
Free cash flow	**212**	**105**	**106**	**>100**
– Reverse effect of adjustment non-recurring cash flows	–9	19	–28	<-100
Cash flow from financing activities	–658	131	–789	<-100
Translation differences	–18	7	–25	<-100
Change in cash and cash equivalents	**–474**	**262**	**–736**	**<-100**
Cash and cash equivalents at the beginning of the reporting period	1,747	883	863	97.7
Cash and cash equivalents at the end of the reporting period	1,273	1,146	127	11.1

Cash flow from operating activities

The year-on-year increase was mainly due to cash-generating business growth, supported by a lower increase in working capital. This was opposed by the rise in pre-financed maintenance and repair services during the reporting period, relating to the GTF™ fleet management plan and compensation payments to PW1100G-JM program customers.

Cash flow from investing activities

The total amount of acquired program assets recognized in the cash flow statement in the reporting period stood at €37 million (January through June 2024: €35 million). They mainly related to capital expenditure for the Pratt & Whitney GTF™ engine family, the GE9X and the PW800 program.

Furthermore, a total of €36 million (January through June 2024: €34 million) was spent in the first half of 2025 on program assets (acquisition costs to purchase and/or increase program stakes) and compensation payments for development assets relating to participation in consortia for commercial programs.

Cash outflows for capital expenditure on property, plant and equipment amounted to €177 million in the reporting period (January through June 2024: €202 million). The capital expenditure relates to the expansion of MTU's production capacity, especially at its sites in Germany, and replacements for existing technical equipment, plant and machinery as well as purchases of operational and office equipment. As well as this, investments were made in capacity for the engine leasing business. Proceeds of €51 million arose from the sale of property, plant and equipment, particularly the sale of leased engines (January through June 2024: €32 million).

The net result of cash inflows and outflows relating to financial assets was an outflow of €-12 million (January through June 2024: inflow of €14 million), mainly due to net cash outflows relating to participation in aircraft financing activities.

Cash flow from financing activities

Between January 1 and June 30, 2025, the cash outflow from financing activities was €658 million (January through June 2024: cash inflow of €131 million). The main drivers in the reporting year were the early repayment of the €500 million corporate bond due in 2025, the year-on-year increase in the dividend payment for the 2024 fiscal year at €118 million (dividend payment for the 2023 fiscal year: €108 million), repayments of lease obligations amounting to €60 million (January to June 2024: €32 million) and imbalance payments of €42 million deferred over several years in connection with stakes in engine programs (January through June 2024: €82 million).

Change to cash and cash equivalents

Changes in cash flow, including currency effects, resulted in an decrease of €474 million in cash and cash equivalents (January through June 2024: increase of €262 million).

Net financial debt

Net financial debt serves as an indicator of the MTU Group's liquidity situation and is defined as the difference between gross financial debt and financial assets. As of June 30, 2025, net financial debt rose by €86 million to €1,147 million (December 31, 2024: €1,061 million).

Net financial debt

in € million	June 30, 2025	Dec. 31, 2024	Change against previous year in € million	in %
Bonds and notes	865	1,358	-494	-36.3
Convertible bonds	494	492	2	0.3
Promissory note	302	308	-6	-2.0
Other financial liabilities to banks	89	7	82	>100
Financial liabilities to related companies	5	2	3	>100
Lease liabilities	271	261	11	4.0
Program liabilities with financing character	425	405	20	4.9
thereof: arising from acquisition of stakes in engine programs	147	55	92	>100
thereof: from imbalance payments due to program participations	277	350	-72	-20.7
Gross financial debt	**2,451**	**2,833**	**-382**	**-13.5**
less:				
Cash and cash equivalents	1,273	1,747	-474	-27.1
Loans to third parties	31	26	5	20.1
Financial assets	**1,304**	**1,773**	**-468**	**-26.4**
Net financial debt	**1,147**	**1,061**	**86**	**8.1**

For a detailed explanation of the bonds and notes and the financial liabilities from the acquisition of stakes in engine programs and from compensation payments in connection with stakes in engine programs, please refer to the explanations on page 296 et seq. of the Annual Report 2024 of MTU Aero Engines AG and Note 28 of this Interim Financial Report.

Net assets

Changes in balance sheet items

Total assets decreased by €703 million from €12,484 million as of December 31, 2024, to €11,781 million as of June 30, 2025.

Non-current assets were €27 million lower than on December 31, 2024, at €4,992 million, while current assets were €730 million lower at €6,789 million.

In the first six months of 2025, intangible assets totaling €150 million were recognized (January through June 2024: €36 million). The additions mainly comprise license rights acquired for stakes in MRO programs along with capitalized, internally generated development assets in connection with the stake in the Pratt & Whitney Geared Turbofan programs, the GE9X and the PW800 program.

Additions to property, plant and equipment amounted to €276 million in the first six months of 2025 (January through June 2024: €246 million). This was mainly due to investments in other equipment, operational and office equipment for the growing business activities in engine leasing, investments in assets under construction to expand and modernize production capacity in Germany.

Acquired program assets, development work and other assets increased by €14 million to €737 million. This was principally due to higher development compensation payments in connection with the Pratt & Whitney Geared Turbofan™ programs.

Deferred tax assets decreased by €159 million to €173 million.

In the first half of 2025, cash and cash equivalents decreased by €474 million to €1,273 million, mainly due to the repayment of the corporate bond maturing in 2025 and the dividend payment, trade receivables decreased by €233 million to €1,432 million, contract assets decreased by €117 million to €1,208 million taking associated advance payments into account, income tax receivables decreased by €32 million to €30 million, inventories decreased by €19 million to €1,733 million, and current other assets decreased by €14 million to €69 million. In contrast, other current financial assets rose by €159 million to €1,044 million, due in particular to higher positive fair values of derivative financial instruments as a result of the U.S. dollar exchange rate prevailing on the reporting date.

Group equity increased by €471 million compared with December 31, 2024, to €3,909 million. In the first six months of 2025, equity was increased by the net income of €513 million (January through June 2024: €288 million), an increase in the fair value of financial instruments designated as cash flow hedges totaling €186 million (January through June 2024: fair value decrease of €34 million) and actuarial gains of €14 million, especially from the change in the discount rate for pension obligations and plan assets (January through June 2024: actuarial gains of €18 million). Equity was reduced by the distribution of the dividend of €118 million for fiscal 2024 year (January through June 2024: €108 million), negative effects from currency translation of foreign Group companies totaling €116 million (January through June 2024: positive effects of €22 million) and dividend payments to non-controlling interests of €7 million (January through June 2024: €3 million). The equity ratio was 33.2% (December 31, 2024: 27.5%).

Pension provisions were €11 million lower than on December 31, 2024, mainly because of the increase in the discount rate. Other provisions increased by €51 million to €242 million. This was primarily attributable to the net rise in provisions for pre-retirement part-time working arrangements, bonuses, warranties, and expenses that are expected to be incurred later in the year.

Financial liabilities were €610 million lower than on December 31, 2024 at €2,706 million. The decline was mainly attributable to the early repayment of the €500 million corporate bond maturing in 2025 and the decrease in the negative fair values of derivative financial instruments as a result of the U.S. dollar exchange rate prevailing on the reporting date.

Trade payables, in particular to affiliates, decreased by €139 million to €365 million as of June 30, 2025 compared with December 31, 2024, due to the change in the U.S. dollar exchange rate.

Compared with December 31, 2024, refund liabilities decreased by €413 million to €2,892 million, driven by business and by the change in the U.S. dollar exchange rate. Compensation payments made in connection with the GTF™ fleet management plan during the reporting period were a key factor in this.

Compared with December 31, 2024, contract liabilities decreased by €44 million to €801 million. Advance payments received are recognized as contract liabilities if they exceed the associated contract assets.

Compared with December 31, 2024, other liabilities dropped by €8 million to €114 million. The decline in liabilities from other taxes was offset by higher personnel-related liabilities.

Employees

MTU had 13,211 employees on June 30, 2025 (December 31, 2024: 12,892).

Employee numbers saw a business-driven increase at all sites, particularly in Germany, Poland, Serbia and North America.

Events after the reporting date

Events after the reporting date (June 30, 2025)

On July 10, 2025, MTU announced the timeline for the change of CEO first disclosed in December 2024. Dr. Johannes Bussmann (56) joined the Executive Board on July 15, 2025 and will take the helm at MTU Aero Engines AG on September 1, 2025. The current CEO, Lars Wagner, will step down from the Executive Board on August 31, 2025, and will remain with the company in an advisory capacity until his departure on October 31, 2025.

On June 26, 2025, the Bundestag (German parliament) passed a law for an immediate tax investment program to bolster Germany's standing as a business location. Among other things, the new legislation provides for a reduction in the corporation tax rate from the current 15% to 10%. The reduction will be implemented gradually from 2028 onwards, with the rate falling by 1 percentage point each year. As the Bundesrat (Germany's Federal Council) did not approve the law until July 11, 2025, it has no impact on the measurement of deferred taxes as of June 30, 2025. MTU is currently examining the impact of the legislation on future financial statements but cannot quantify it yet.

There were no other events of specific importance with a significant impact on the net assets, financial position and results of operations of the MTU Group between the date of the interim report and the preparation of this half-year financial report on July 21, 2025.

Guidance, risk and opportunity report

In order to take best advantage of market opportunities and to identify and manage the risks involved, the Executive Board has established an integrated opportunity and risk management system. This is linked to the Group's value-oriented performance indicators and its organizational structure. The system is based on the internationally recognized COSO II Enterprise Risk Management Framework. It also includes the internal control system for the accounting process in accordance with Sections 289 (5) and 315 (2) No. 5 of the German Commercial Code (HGB). For a more detailed description of the attributes of this system and the methods applied, please refer to the Annual Report 2024, page 108 et seq.

Guidance

Macroeconomic conditions

In a challenging and uncertain market environment, both the International Monetary Fund (IMF) and the Organization for Economic Cooperation and Development (OECD) have recently downgraded their global growth outlooks for 2025. According to the IMF's latest outlook, which takes into account information available as of April 4, global growth is expected to slow to 2.8% in 2025 compared with growth of 3.3% in 2024. Previously, as reported in MTU's Annual Report 2024, the IMF had expected growth to remain unchanged in 2025. The rapid escalation of trade conflicts and exceptionally high political uncertainty are likely to weigh heavy on global economic activity. In June, the OECD likewise updated its global growth outlook to 2.9% for 2025.

According to the IMF, growth in the USA is expected to slow to 1.8%, a decline of 0.9 percentage points against the previous outlook. Growth of just 0.8% is expected for the Eurozone, which is 0.2 percentage points lower than previously predicted. China's economic growth is likely to slow from 5% in 2024 to 4% in 2025, representing a downgrade of 0.6 percentage points.

Both the IMF and the OECD believe that the outlook risks are now far greater:

- A further escalation of the trade conflict could weigh even more heavily on global growth, particularly in the event of retaliatory policy responses.
- Negative sentiment in financial markets could lead to remeasurement of assets such as shares. This could trigger sharp exchange rate movements and capital outflows. Fiscal risks, too, are rising. Sovereign debt ratios are already high in many economies and the upward trend is set to continue. Debt servicing costs are also rising, putting further pressure on public finances.
- Demographic change in Germany and a decline in foreign labor could slow long-term growth, jeopardize fiscal sustainability and exacerbate social tensions.
- A further escalation of the conflict in the Middle East could push oil prices above U.S.$100 per barrel.
- Conversely, de-escalation would likely bring prices down quickly, given weak demand and improving supply conditions.

Crude oil prices are likely to remain high for as long as the military conflict between Israel and Iran continues and U.S. oil production begins to decline, and ongoing concerns about the impact of higher U.S. tariffs on global demand will no doubt have a major influence as well.

The U.S. Energy Information Administration (EIA) forecasts a price of U.S.$69 per barrel for 2025, which, despite volatility, is a significant fall compared with U.S.$81 in 2024.

Sector-specific conditions within the aviation industry

GDP is the main driver of air traffic demand. Although the economic slowdown predicted for 2025 is likely to curb traffic growth, airline profitability – currently buoyed by oil prices – is still expected to go on improving, with a net profit of U.S.$36 billion outlook for this year (2024: U.S.$32.4 billion). At the same time, though growth is falling short of previous expectations, robust employment levels and moderate inflation forecasts are shoring up demand. In its latest Global Outlook for Air Transport published in June 2025, IATA forecasts that global passenger traffic growth is likely to slow to 5.8% in 2025, down from the 8% previously predicted in December 2024. The impact of lower growth in cargo is more marked, with IATA now expecting growth of 0.7% as against 6% in December 2024.

Despite the slowdown in traffic demand growth, the need for new aircraft remains high, keeping pressure on aircraft and engine manufacturers to increase production capacity. Airbus is standing by its target of increasing deliveries by 7% to 820 aircraft in 2025, with the A320neo accounting for the majority. The Toulouse-based manufacturer recently hit a production rate of 60 aircraft per month and aims to increase monthly production of the A320 family to 75 aircraft by 2027.

Boeing has yet to publish official guidance for 2025. The U.S. manufacturer is close to reaching the cap of 38 aircraft per month for 737 Max production mandated by the Federal Aviation Administration (FAA). Production of the 787 program, which stabilized at five aircraft per month in the first quarter, received FAA approval to increase to seven per month, which is a positive development, particularly for the program's GEnx engine.

There is a risk that disruptions caused by having to manage rapidly changing import tariffs on aerospace products will further exacerbate existing supply chain and production constraints. The U.S. government is currently imposing a minimum tariff of 10% on aerospace imports from the European Union and Canada. The EU has announced counter-tariffs. At the time of writing, both sides were still in negotiations.

Geopolitical tensions continue to rise, ratcheting up the focus on military security and defense capabilities. At the NATO summit in The Hague in June 2025, member states agreed on an ambitious new goal: By 2035 at the latest, each member country will invest 5% of its GDP in defense and security infrastructure. Of this, 3.5% will be allocated to traditional defense spending such as equipment, personnel, and military operations, and the remaining 1.5% to infrastructural measures. This historic decision is a direct response to growing security challenges, particularly the ongoing threat from Russia. The European defense industry in particular is likely to benefit from this.

Future performance of MTU

MTU has refined its guidance for fiscal year 2025.

It expects revenue of between €8,600 and €8,800 million, based on an assumed exchange rate of U.S.$1.10 per euro.

This revenue guidance is based on the following assumptions:

In the commercial OEM business, MTU expects to report growth in business in both new components and spare parts.

Growth in the commercial new engine business is mainly driven by higher production rates for the A320neo, the A220 and E-Jets and by higher deliveries for the Boeing 787 and BizJets. Organic percentage growth in the mid-teens is anticipated.

Growth in the spare parts business will be driven by further growth in air traffic, an increase in list prices and declining supply chain problems. Percentage organic growth in the low to mid-teens is anticipated.

A percentage revenue increase in the mid to high single-digits is expected in the military business in 2025, supported by rising deliveries of new engines and development work in the engine program for the FCAS.

For the commercial maintenance business (MRO), MTU predicts organic percentage growth in the mid-to-high-teens. Revenue from the maintenance of Geared Turbofan engines is expected to account for around 40% of all maintenance revenue. As in previous periods, this is mainly due to the Geared Turbofan fleet management plan.

In 2025, MTU expects a percentage increase in adjusted EBIT in the low to mid-twenties compared with the previous year.

The company still assumes that adjusted net income and adjusted EBIT will rise in tandem.

MTU anticipates free cash flow of €300 to €350 million in 2025.

Risks

In view of its business activities, its involvement in a globally networked market with a wide range of different economic and political conditions and its business relationships dominated by consortia, MTU is exposed to risks that could influence its economic development.

Geopolitical developments around the world and the global economic impact of the conflicts in Israel/Gaza and China/Taiwan, as well as Russia's war of aggression in Ukraine, could continue to weigh on the MTU Group's business. The extensive economic sanctions imposed on Russia in response to the war held back MTU's business performance, especially in view of the existing long-term MRO contracts with Russian customers. Overall, MTU had only very limited MRO business in Russia and no presence in the region. Therefore, it has largely been able to compensate for the risks so far. MTU unreservedly supports all sanction regulations and is in full compliance with them. Accordingly, the company has suspended all deliveries, data transfers and payment transactions in the region covered by applicable sanction law. There are still risks relating to claims filed for repayment obligations as a result of the cancellation of contracts with Russian customers.

Given the political developments in the USA, MTU is exposed to potential effects from U.S. direct import duties (punitive tariffs) and taxation. Also, the proposed counter-tariffs announced by the EU would adversely affect business in both the OEM and MRO segments.

In addition, risks for MTU arise from the uncertainty about the general availability of oil and gas and the disruption of global value-added and supply chains. Irrespective of the current situation, MTU is already using a mixture of renewable and non-renewable energy and selects its energy resources on the basis of reliability of supply, cost efficiency and ecological considerations. Through proactive risk management, MTU has so far managed to mitigate most of the impact of high raw material prices and the high market volatility of non-energy raw materials. If the present tense situation on the commodity markets continues for a prolonged period, high raw material prices could adversely affect MTU's margins. The effects of inflation, driven by rising personnel and energy costs, have so far largely been avoided thanks to fixed-price agreements in long-term contracts. If prices continue to rise, the impact on procurement costs will gradually increase over the next few years due to the application of corresponding price escalation clauses and the expiry of fixed prices.

Exposure to market and program risks represents a material risk for MTU. The OEM segment remains exposed to market and program risks associated with risk- and revenue-sharing arrangements. The main driver in this context is demand-driven capacity expansion to cover parts supply and maintenance requirements for the GTF™ fleet. Furthermore, MTU takes into account risk exposure in connection with development and manufacturing risks arising from stakes in commercial programs, which could involve the company in extensive compensation payments to program customers.

In addition, there are potentially significant liability and litigation risks in connection with upcoming arbitration proceedings with customers of commercial programs in which it has a stake.

MTU takes account of liability and cost risks relating to realization of the Geared Turbofan fleet management plan in direct consultation with the engine OEM, in particular by recognizing provisions on the balance sheet in the form of refund liabilities.

In the commercial MRO business, the company has identified risks associated with the expansion of production capacity in North America.

Otherwise, MTU currently sees the same potential risks as outlined in the Annual Report 2024. For a full overview of the risks, please refer to the Annual Report 2024, page 89 et seq. (Risk and opportunity report).

Opportunities

MTU's business model, which focuses on the commercial engine business, military business and commercial maintenance, as well as aiming for a distinct product mix in each of these areas, puts the company in a strong market position across the board. Additional opportunities regularly arise from continuous investment in research, development and new technologies as well as by expanding risk- and revenue-sharing partnerships along with the maintenance business.

Despite the disruption resulting from the geopolitical crises, the costs of the GTF™ fleet management plan and the other risks described, MTU sees opportunities in all business areas. In commercial engines business, the company sees particular opportunities to play an above-average part in the ongoing recovery and growth of the aircraft industry through its stake in efficient GTF engine technology. Given the limited production capacity for this, there are additional opportunities for OEM and MRO business in connection with mature programs such as the V2500. In the period under review, MTU endeavors to realize opportunities relating to the PW1100G-JM program consortium that support efficient execution of the Geared Turbofan fleet management plan. In addition, MTU sees opportunities in better market conditions and improved customer segmentation for the company, which could further mitigate or offset the negative effects of the above-mentioned risks.

Similarly, opportunities may arise through the replacement of existing military engine fleets to participate in additional sales and related MRO business. In the medium term, additional potential for the military business could come from the supplementary funding allocated to the German armed forces and the resulting increase in the defense budget, which could benefit MTU.

Otherwise, MTU currently sees the same potential opportunities as outlined in the Annual Report 2024. For a full overview of the opportunities, please refer to the Annual Report 2024, page 105 et seq. (Opportunity report).

Overall assessment of the risk and opportunity situation at MTU

Thanks to its extensive risk and opportunity management system, MTU is able to identify risk areas and potential opportunities at an early stage, so that it can take suitable measures to actively manage and mitigate risks and exploit opportunities. The risks and opportunities for the MTU Group have changed little compared with the assessment as of December 31, 2024.

The heightened risks, particularly around fast-changing U.S. tariff policy, are offset by the increased opportunities mentioned above.

MTU still classifies its risk management system as effective to counter present and future challenges.

As things currently stand, the net risk exposure is seen as manageable, particularly given the ongoing refinement of risk mitigation measures, and therefore does not jeopardize the MTU Group's going-concern status.

Report on material transactions with related parties

For information on material transactions with related parties, please refer to *Note 38. to the condensed consolidated interim financial statements (“Related party disclosures”).*

Condensed consolidated interim financial statements

Consolidated income statement

Consolidated income statement

in € million	(Note)	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Revenue	**(1.)**	**4,197**	**3,389**
Cost of goods sold	(2.)	-3,369	-2,820
Gross profit		**828**	**569**
Research and development expenses	(3.)	-47	-49
Selling expenses	(4.)	-82	-68
General administrative expenses	(5.)	-78	-61
Other operating income		9	8
Other operating expenses		-28	-24
Profit/loss of companies accounted for using the equity method and of equity investments	(7.)	102	45
Earnings before interest and taxes (EBIT)		**704**	**421**
Net interest income/expense	(8.)	-24	-5
Other financial income/expense	(9.)	43	-17
Net financial income/expense		**19**	**-22**
Earnings before income taxes		**723**	**399**
Income taxes	(10.)	-211	-111
Net income		**513**	**288**
thereof:			
Owners of MTU Aero Engines AG		504	285
Non-controlling interests		8	3
Earnings per share in €			
Basic (EPS)	(11.)	9.37	5.30
Diluted (DEPS)	(11.)	9.17	5.20

Consolidated statement of comprehensive income

Consolidated statement of comprehensive income

in € million	(Note)	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Net income		**513**	**288**
Currency translation differences arising from the financial statements of foreign entities		−116	22
Financial instruments designated as cash flow hedges		186	−34
Items that may subsequently be recycled to profit or loss		71	−12
Actuarial gains/losses on pension obligations and plan assets		14	18
Item that will not be recycled to profit or loss		14	18
Other comprehensive income after taxes	**(24.)**	**84**	**6**
thereof:			
owners of MTU Aero Engines AG		94	3
non-controlling interests		−9	2
Total comprehensive income		**597**	**294**
thereof:			
owners of MTU Aero Engines AG		598	289
non-controlling interests		−1	5

Consolidated balance sheet – assets

Assets

in € million	(Note)	June 30, 2025	Dec. 31, 2024
Non-current assets			
Intangible assets & Goodwill	(14.)	1,429	1,313
Property, plant and equipment	(15.)	1,821	1,767
Financial assets accounted for using the equity method	(16.)	660	727
Other financial assets	(16.)	172	103
Acquired program assets, development work and other assets	(17.)	737	722
Deferred taxes		173	333
Total non-current assets		**4,992**	**4,965**
Current assets			
Inventories	(19.)	1,733	1,753
Trade receivables	(20.)	1,432	1,665
Contract assets	(21.)	1,208	1,325
Income tax receivables		30	63
Other financial assets	(16.)	1,044	885
Other assets	(17.)	69	83
Cash and cash equivalents	(23.)	1,273	1,747
Total current assets		**6,789**	**7,519**
Total assets		**11,781**	**12,484**

Consolidated balance sheet – equity and liabilities

Equity and liabilities

in € million	(Note)	June 30, 2025	Dec. 31, 2024
Equity	**(24.)**		
Subscribed capital		54	54
Capital reserves		577	577
Retained earnings		3,321	2,936
Treasury shares		-8	-8
Accumulated other comprehensive income		-102	-195
Owners of MTU Aero Engines AG		**3,843**	**3,363**
Non-controlling interests		66	74
Total equity		**3,909**	**3,438**
Pension provisions	(25.)	681	692
Other provisions	(27.)	56	33
Financial liabilities	(28.)	2,259	2,265
Contract liabilities	(30.)		3
Other liabilities	(32.)		4
Total non-current liabilities		**2,996**	**2,997**
Current liabilities			
Pension provisions	(25.)	32	32
Income tax liabilities		38	35
Other provisions	(27.)	186	158
Refund liabilities	(31.)	2,892	3,305
Financial liabilities	(28.)	447	1,051
Trade payables		365	504
Contract liabilities	(30.)	801	845
Other liabilities	(32.)	114	119
Total current liabilities		**4,875**	**6,049**
Total equity and liabilities		**11,781**	**12,484**

Consolidated statement of changes in equity

For information on the components of equity, please refer to *Note 24 "Equity"* in the selected explanatory notes to the financial statements.

Consolidated statement of changes in equity

in € million	Sub-scribed capital	Capital reserves	Revenue reserves	Treasury shares	Accumulated other equity			**Owners of MTU Aero Engines AG**	Non-controlling interests	Total equity
					Currency translation differences arising from the financial statements of foreign entities	Actuarial gains/ losses[1]	Financial instru-ments designated as cash flow hedges			
Carrying amount as of Jan. 1, 2024	**54**	**579**	**2,407**	**-11**	**24**	**-204**	**14**	**2,863**	**70**	**2,933**
Net income			285					285	3	288
Other comprehensive income					19	18	-34	3	2	6
Total comprehensive income			**285**		**19**	**18**	**-34**	**289**	**5**	**294**
Dividend payment			-108					-108	-3	-111
Restricted Stock Plan		0						0		0
Carrying amount as of June 30, 2024	**54**	**579**	**2,584**	**-11**	**44**	**-187**	**-20**	**3,044**	**71**	**3,116**
Carrying amount as of Jan. 1, 2025	**54**	**577**	**2,936**	**-8**	**68**	**-197**	**-65**	**3,363**	**74**	**3,438**
Net income			504					504	8	513
Other comprehensive income					-106	14	186	94	-9	84
Total comprehensive income			**504**		**-106**	**14**	**186**	**598**	**-1**	**597**
Dividend payment			-118					-118	-7	-125
Changes in equity due to portfolio transactions			-0					-0		-0
Restricted Stock Plan (LTI)		-0						-0		-0
Carrying amount as of June 30, 2025	**54**	**577**	**3,321**	**-8**	**-39**	**-184**	**121**	**3,843**	**66**	**3,909**

[1] Refers to pension obligations and plan assets

Consolidated cash flow statement

Consolidated cash flow statement

in € million	(Note)	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Operating activities			
Net income		**513**	**288**
Non-cash amortization (including impairment) of acquired program assets and acquired development work		25	25
Amortization, depreciation, write-ups and impairment of other non-current assets		179	151
Profit/loss of companies accounted for using the equity method	(7.)	-102	-45
Dividends received		45	36
Gains/losses on the disposal of assets		-0	-2
Result effective change in pension provisions		9	7
Change in other provisions	(27.)	51	32
Change in refund liabilities (not included in working capital)	(31.)	-254	100
Change in working capital		-48	-311
Other non-cash items		-106	19
Net interest income/expense	(8.)	24	5
Interest paid		-37	-10
Interest received		17	18
Income taxes	(10.)	211	111
Income taxes paid		-110	-73
Cash flow from operating activities		**414**	**350**
Investing activities			
Capital expenditure on:			
Intangible assets	(14.)	-37	-35
Property, plant and equipment	(15.)	-177	-202
Financial assets	(16.)	-16	-7
Acquired program assets, development work and other assets	(17.)	-36	-34
Proceeds from disposal of:			
Intangible assets/property, plant and equipment	(14.)/(15.)	51	32
Other financial assets		4	22
Cash flow from investing activities		**-212**	**-225**

in € million	(Note)	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Financing activities			
Cash inflow from other bonds and notes	(28.)		299
Cash outflow from other bonds and notes	(28.)	-500	
Settlement of lease liabilities	(28.)	-60	-32
Settlement of purchase price liabilities for stakes in programs		-15	-22
Increase in other financial liabilities	(28.)	85	78
Repayment of other financial liabilities	(28.)	-42	-82
Dividend paid to shareholders of MTU AG/ to non-controlling interests		-125	-111
Cash flow from financing activities		**-658**	**131**
Net change in cash and cash equivalents during the reporting period		**-456**	**256**
Effect of currency translation differences on cash and cash equivalents		-18	7
Cash and cash equivalents at beginning of period (January 1)		1,747	883
Cash and cash equivalents at end of period (June 30)		**1,273**	**1,146**

Notes to the interim consolidated financial statements

Consolidated segment report

Segment information

For details of the activities of the individual operating segments, please refer to the explanations in the Annual Report 2024, page 329 et seq. There was no change in the segmentation in the first six months of 2025.

The segment information is as follows:

Consolidated segment report

in € million	Commercial and military engine business (OEM segment) Jan. 1 – June 30, 2025	Commercial and military engine business (OEM segment) Jan. 1 – June 30, 2024	Commercial maintenance business (MRO segment) Jan. 1 – June 30, 2025	Commercial maintenance business (MRO segment) Jan. 1 – June 30, 2024	Total reportable segments Jan. 1 – June 30, 2025	Total reportable segments Jan. 1 – June 30, 2024	Consolidation/ reconciliation Jan. 1 – June 30, 2025	Consolidation/ reconciliation Jan. 1 – June 30, 2024	MTU Group Jan. 1 – June 30, 2025	MTU Group Jan. 1 – June 30, 2024
External revenues	1,427	1,100	2,770	2,289	4,197	3,389	–0		4,197	3,389
Revenues from intersegment sales	40	35	29	15	70	50	–70	–50		
Total revenues	**1,468**	**1,135**	**2,799**	**2,304**	**4,267**	**3,439**	**–70**	**–50**	**4,197**	**3,389**
Adjusted revenue	**1,411**	**1,176**	**2,799**	**2,304**	**4,210**	**3,479**	**–70**	**–50**	**4,141**	**3,429**
Gross profit	**571**	**358**	**257**	**209**	**828**	**567**	**1**	**2**	**828**	**569**
Amortization of intangible assets	28	26	5	4	33	30			33	30
Depreciation of property, plant and equipment	65	60	79	59	143	119			143	119
Non-cash amortization of capitalized program assets and acquired development work	25	25			25	25			25	25
Impairment losses			3	1	3	1			3	1
Total depreciation/amortization/impairment losses	**117**	**111**	**86**	**64**	**204**	**175**			**204**	**175**
Earnings before interest and taxes (EBIT)	**462**	**238**	**241**	**182**	**703**	**421**	**1**	**–0**	**704**	**421**
thereof: special item "effects of purchase price allocation"	9	9	0	0	9	9			9	9
thereof: special item "effects from increase in the stake in IAE-V2500"	13	12			13	12			13	12
thereof: special item "GTF™ fleet management plan"	–70	28			–70	28			–70	28
Adjusted earnings before interest and taxes (adjusted EBIT)	**415**	**288**	**241**	**183**	**656**	**470**	**1**	**–0**	**657**	**470**
Profit/loss of companies accounted for using the equity method	38	12	64	33	102	45			102	45
Carrying amount of companies accounted for using the equity method (June 30, 2025/Dec. 31, 2024)	311	342	350	385	660	727			660	727
Assets (June 30, 2025/Dec. 31, 2024)	**9,846**	**10,684**	**3,889**	**3,866**	**13,734**	**14,550**	**–1,953**	**–2,066**	**11,781**	**12,484**
Liabilities (June 30, 2025/Dec. 31, 2024)	**6,670**	**7,885**	**2,522**	**2,611**	**9,192**	**10,496**	**–1,320**	**–1,449**	**7,872**	**9,046**
Material other non-cash items	**–82**	**19**	**–23**	**1**	**–105**	**19**	**–1**		**–106**	**19**
Capital expenditure:										
Intangible assets	38	36	112	0	150	36			150	36
Property, plant and equipment	67	122	209	124	276	246			276	246
Acquired program assets, development work and other assets	37	47			37	47			37	47
Total capital expenditure	**142**	**205**	**321**	**124**	**463**	**329**			**463**	**329**
Key segment data:										
EBIT in % of revenues	31.5	21.0	8.6	7.9	16.5	12.2	–1.2	0.2	16.8	12.4
Adjusted EBIT in % of adjusted revenues	29.4	24.5	8.6	7.9	15.6	13.5	–1.2	0.2	15.9	13.7

The material non-cash items relate, in particular, to gains and losses arising from foreign currency translation, which have no impact on cash flows.

Reconciliation to MTU consolidated earnings before tax

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Earnings before interest and taxes (EBIT)	**704**	**421**
Interest income	17	18
Interest expenses	-41	-23
Financial result on other items	43	-17
Earnings before tax	**723**	**399**

Accounting principles and policies

The Group's business activities encompass the entire lifecycle of an engine program – from development, structural design, testing and manufacturing of engines and spare parts through to maintenance, repair and overhaul. MTU's business activities are divided into two operating segments: the commercial and military engine business (OEM) and the commercial maintenance business (MRO).

MTU's commercial and military engine business covers the development and manufacturing of modules, components and spare parts for engine programs, and in some cases final assembly. The military engine business additionally includes the provision of maintenance services. The commercial maintenance segment comprises maintenance, repair and overhaul as well as logistics support for commercial engines.

The parent company, MTU Aero Engines AG, with registered office at Dachauer Strasse 665, 80995 Munich, Germany, is registered under reference HRB 157206 in the commercial registry of the district court of Munich.

The condensed consolidated interim financial statements were approved for publication by the Executive Board of MTU Aero Engines AG, Munich, on July 21, 2025.

Accounting

In accordance with the provisions of Section 115 of the German Securities Trading Act (WpHG), the half-year financial report of MTU comprises condensed consolidated interim financial statements, an interim Group management report and a responsibility statement. The condensed, unaudited consolidated interim statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) for interim reporting, as applicable in the EU, and the interim Group management report was prepared in accordance with the applicable regulations of the German Securities Trading Act (WpHG).

The condensed interim consolidated financial statements are considerably reduced in scope compared to the consolidated financial statements in the Annual Report. This allows users to be provided with timely and relevant financial information between consolidated financial statements. To ensure consistency, the section references in the notes to the interim consolidated financial statements relate to the numbering in the Annual Report. Due to the reduced scope, however, it may be that the section numbering in the condensed notes is not sequential and occasionally skips section numbers. The structural consistency in the reporting that this achieves should enable the financial statement user to navigate more effectively through both MTU report formats.

Statement of compliance

The condensed consolidated interim financial statements as of June 30, 2025, have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting." MTU applied all International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) that were in effect at the time when the condensed consolidated interim financial statements were prepared and had been endorsed by the European Commission for use in the EU.

The same accounting policies were applied in the condensed consolidated interim financial statements as in the consolidated financial statements as of December 31, 2024. All amounts are stated in millions of euros (€ million), unless otherwise specified. Due to rounding, some of the rounded figures presented in these consolidated financial statements may not correspond exactly to the sum of the individual figures, and it may not be possible to calculate some of the individual percentages from the rounded absolute figures presented. "0" represents amounts of between zero and half a million euros, while "-0" represents amounts between zero and minus half a million euros. Amounts of exactly €0.00 are shown by an empty field in tables.

The condensed interim consolidated financial statements do not contain all information and disclosures required for consolidated financial statements at the end of the fiscal year so they should be read in conjunction with the consolidated financial statements of MTU as of December 31, 2024.

In the opinion of the management, the half-year financial report contains all customary ongoing accounting adjustments that are necessary for a fair presentation of the net assets, financial position and results of operations of the MTU Group. The accounting policies used for the consolidated financial statements are explained in the notes to the consolidated financial statements as of December 31, 2024, starting on page 238 of the Annual Report 2024.

Consolidated Group

As of June 30, 2025, the Group including MTU Aero Engines AG, Munich, comprised 36 companies.

Estimation uncertainties

Estimation uncertainties are essentially handled in accordance with the same principles as described in the Annual Report 2024, page 253 et seq. Any deviations from this are disclosed in the relevant notes.

Notes to the consolidated income statement

1. Revenue

Revenue

in € million	Revenue recognized at a point in time	Revenue recognized over time	Other revenue	Jan. 1 – June 30, 2025	Revenue recognized at a point in time	Revenue recognized over time	Other revenue	Jan. 1 – June 30, 2024
Commercial engine business	1,239	2		1,241	804	2		807
Military engine business	71	189		260	69	203		272
Other revenue			-33	-33			56	56
Commercial and military engine business (OEM segment)	**1,310**	**191**	**-33**	**1,468**	**874**	**205**	**56**	**1,135**
Commercial maintenance business	68	2,686		2,755	120	2,094		2,214
Other revenue			45	45			90	90
Commercial maintenance business (MRO segment)	**68**	**2,686**	**45**	**2,799**	**120**	**2,094**	**90**	**2,304**
Consolidation	-20	-30	-19	-70	-17	-16	-17	-50
Total revenue	**1,358**	**2,847**	**-8**	**4,197**	**977**	**2,283**	**128**	**3,389**

Revenue increased by €808 million (23.9%) year-on-year to €4,197 million in the first six months of 2025.

Revenue from commercial and military engine business rose by €332 million (29.3%) to €1,468 million. The increase in revenue was driven in particular by an increase in new engine business, especially the GTF™ programs, and in the spare parts business. Revenue development was also influenced by the change in the U.S. dollar exchange rate from U.S.$1.04 per euro on December 31, 2024 to U.S.$1.17 per euro at the reporting date, particularly taking into account the measurement of refund liabilities in foreign currencies at the reporting date.

In the commercial maintenance business, revenue increased by €495 million to €2,799 million, driven in particular by additional maintenance business for engines in the narrowbody segment, such as the PW1100G-JM and V2500, and in the widebody segment, such as the CF6-80, GEnx and GE90. Engine leasing business saw a corresponding increase in the reporting period.

Adjusted revenue increased by €711 million (20.7%) year-on-year to €4,141 million.

2. Cost of goods sold

Cost of goods sold

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Cost of materials	–2,779	–2,207
Personnel expenses	–547	–491
Depreciation and amortization (incl. Impairment)	–175	–148
Other cost of goods sold	–31	–17
Currency translation effects	100	–20
Cost of goods sold	**–3,433**	**–2,882**
Capitalized development costs	64	62
Total cost of goods sold	**–3,369**	**–2,820**

As a result of the increased business volume and the product mix achieved, the cost of goods sold increased by €549 million (19.5%) year-on-year to €3,369 million in the first six months of 2025. This increase was in line with revenue growth. While inflation effects drove up costs, price increases and economies of scale realized in relation to the utilization of production and service capacity compared with the prior-year period helped to mitigate this.

At €828 million in the first six months, gross profit was €259 million (45.5%) up on the prior year. This increase resulted principally from the positive development of business in both segments. The gross margin improved compared with the first half of 2024, from 16.8% to 19.7%. The adjusted gross margin increased from 18.0% to 18.9%.

3. Research and development expenses

Research and development expenses

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Cost of materials	–24	–24
Personnel expenses	–20	–22
Depreciation and amortization	–1	–1
Other development costs	–2	–2
Research and development expenses recognized in profit or loss	**–47**	**–49**

4. Selling expenses

Selling expenses

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Cost of materials	–18	–12
Personnel expenses	–50	–44
Depreciation and amortization	–1	–0
Other selling expenses	–14	–11
Total selling expenses	**–82**	**–68**

Alongside marketing and advertising expenses, selling expenses comprise loss allowances and impairments for direct receivables from customers, which are included in other selling expenses.

5. General administrative expenses

General administrative expenses

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Cost of materials	-6	-4
Personnel expenses	-52	-42
Depreciation and amortization	-2	-1
Other administrative expenses	-18	-14
Total general administrative expenses	**-78**	**-61**

General administrative expenses are expenses incurred in connection with administrative activities that cannot be directly allocated to development, production or sales activities.

7. Profit/loss of companies accounted for using the equity method

Profit/loss of companies accounted for using the equity method

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Associates	38	13
Joint ventures	64	32
Profit/loss of companies accounted for using the equity method	**102**	**45**

8. Net interest income/expense

Net interest income/expense

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Interest income	**17**	**18**
Interest expense		
Bonds and notes	-21	-10
Convertible bonds	-2	-2
Liabilities to banks	-0	-0
Lease liabilities	-6	-3
Other interest expense	-14	-9
Capitalized borrowing costs for qualifying assets	3	2
Interest expense	**-41**	**-23**
Net interest income/expense	**-24**	**-5**

The other interest expense mainly relates to the promissory notes placed in the previous year, the interest expense for factoring and the interest on program liabilities with financing character.

9. Other financial income/expense

Other financial income/expense

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Effects of currency translation: exchange rate gains/losses on:		
Currency holdings	5	2
Financing transactions	31	-3
Lease liabilities	18	-2
Fair value gains/losses on derivatives		
Currency derivatives (exchange rate risks)	5	0
Commodity forwards	-1	-0
Interest included in measurement of assets and liabilities		
Pension obligations and plan assets	-13	-13
Receivables, other provisions and liabilities	-2	-1
Miscellaneous other financial income/expense	0	0
Other financial income/expense	**43**	**-17**

10. Income taxes

Analysis of current and deferred income taxes

in € million	Jan. 1 – June 30, 2025	Jan. 1 – June 30, 2024
Current income taxes	-147	-105
Deferred income taxes	-64	-6
Income tax expense	**-211**	**-111**

The tax rate is 29.13%. The reported income taxes and the tax rate include the management's current estimates of the impact of minimum taxation (BEPS/PILLAR II) on the Group.

11. Earnings per share

To determine diluted earnings per share, the average number of additional common shares that could contractually be issued in connection with financial instruments outstanding as of the reporting date is added to the weighted average number of outstanding shares.

In the first six months of 2025, the net income attributable to the shareholders of MTU Aero Engines AG stood at €504 million (January through June 2024: €285 million). The weighted average number of outstanding shares in the period January through June 2025 was 53,785,246 (January through June 2024: 53,770,914 shares). This results in basic earnings per share of €9.37 in the first six months of 2025 (January through June 2024: €5.30).

Diluted earnings per share were €9.17 (January through June 2024: €5.20). Diluting effects arose from 1,321,265 shares that could potentially be issued through the convertible bonds issued in September 2019.

In the first six months of 2025, the adjusted net income attributable to the shareholders of MTU Aero Engines AG was €471 million (January through June 2024: €339 million). The weighted average number of outstanding shares in the period January through June 2025 was 53,785,246 (January through June 2024: 53,770,914 shares). This results in adjusted earnings per share of €8.76 in the first six months of 2025 (January through June 2024: €6.31).

12. Reconciliation to adjusted key financial performance figures

Financial position

This reconciliation of the consolidated income statement is used to eliminate special items, in particular material and above all aperiodic contributions to operating earnings from the key financial figures of the Group and its business segments. The aim is to measure the success of managing operating activities in the reporting period and, at the same time, to provide financial information for efficient comparison with different periods and companies. The adjusted figures do not come under the provisions of the International Financial Reporting Standards (IFRSs); they are to be seen as an addition to the key financial performance figures reported pursuant to IFRS in the sense of alternative performance measures (APM).

To describe financial performance, MTU reports the following adjusted key figures:

- adjusted revenue (revenue, adjusted)
- adjusted earnings before interest and taxes (EBIT, adjusted), the adjusted EBIT margin (EBIT margin, adjusted)
- adjusted net income (net income, adjusted)

The reference to adjusted key financial performance figures within the approved remuneration system for the Board of Management is always based on the Supervisory Board's approval of the calculation methods described below.

Adjusted revenue

Revenue determined in accordance with IFRS standards is adjusted for the special items "effects from the increase in the stake in IAE V2500", "effects from the GTF™ fleet management plan" and "significant non-period earnings impacts" covered in the *section on adjusted EBIT and adjusted EBIT margin*, in order to calculate adjusted revenue for the aforementioned purpose of providing adjusted key figures.

Adjusted revenue was €4,141 million in the first six months of 2025 (January through June 2024: €3,429 million).

Adjusted EBIT and adjusted EBIT margin

To determine the adjusted EBIT, the EBIT result calculated in accordance with IFRS standards is adjusted for the following special items in view of the aforementioned aim of providing adjusted financial KPIs:

- "Effects of the purchase price allocation": As of January 1, 2004, MTU passed into the ownership of Kohlberg Kravis Roberts & Co. Ltd. (KKR), following the latter's purchase of 100% of the MTU shares from the then DaimlerChrysler AG. In the context of the acquisition, assets, liabilities and contingent liabilities were identified in accordance with IFRS 3 and measured at fair value. Since then, the identified intangible assets, in particular, have resulted in substantial amortization. The resulting earnings impacts are eliminated as special items in the reconciliation to adjusted EBIT.
- "Effects from the increase in the stake in IAE V2500": The increase in MTU's stake in the Pratt & Whitney IAE V2500 program in 2012 was accounted for as the addition of a program asset. Since then, this asset has been amortized over the expected remaining useful life of the program, thereby reducing revenue, and the corresponding earnings impact is eliminated as a special item in the reconciliation to adjusted EBIT.
- "Effects from the GTF™ fleet management plan": In 2023, significant compensation for PW1100G-JM program customers was approved as part of the GTF™ fleet management plan. Based on its stake in the PW1100G JM program consortium, MTU has obligations to the OEM Pratt & Whitney and accrued refund liabilities for this purpose, thereby reducing revenue. Impacts on profit and loss related to the initial recognition and any subsequent measurement of these refund liabilities are eliminated as a special item in the reconciliation to adjusted EBIT.
- "Significant non-period earnings impacts": Taking the materiality criterion defined for the reporting period (threshold: €45 million) into account, significant non-period earnings impacts are eliminated for the reconciliation to adjusted EBIT. This was primarily applied to significant earnings impacts due to impairment losses, legal/litigation risks, restructuring programs and changes in the consolidated group. The materiality criterion in the form of a threshold was defined from fiscal year 2024 onward.

The adjusted EBIT margin is calculated as the proportion of adjusted EBIT to adjusted revenue and expressed as a percentage.

Reconciliation of the consolidated income statement

in € million	1.1. – 30.6.2025 As reported	1.1. – 30.6.2025 Special item	1.1. – 30.6.2025 Adjusted figures	1.1. – 30.6.2024 As reported	1.1. – 30.6.2024 Special item	1.1. – 30.6.2024 Adjusted figures
Revenue	**4,197**	**–57**	**4,141**	**3,389**	**40**	**3,429**
thereof: special item "effects from GTF™ fleet management plan" (OEM segment)		–70	–70		28	28
thereof: special item "effects from increase in the stake in IAE/V2500" (OEM segment)		13	13		12	12
Cost of goods sold	–3,369	9	–3,360	–2,820	9	–2,810
thereof: special item "effects of purchase price allocation" (OEM segment)		9	9		9	9
Gross profit	**828**	**–48**	**781**	**569**	**49**	**619**
Research and development expenses	–47		–47	–49		–49
Selling expenses	–82		–82	–68		–68
General administrative expenses	–78		–78	–61		–61
Other operating income and expenses	–19		–19	–16		–16
Profit/loss of companies accounted for using the equity method and of equity investments	102		102	45		45
Earnings before interest and taxes (EBIT)	**704**	**–48**	**657**	**421**	**49**	**470**
Net interest income/expense	–24		–24	–5		–5
Other financial income – interest included in the measurement of pensions	–14		–14	–13		–13
Other financial income/expense – miscellaneous (e.g. measurement of foreign currency holdings)	57	–57	0	–4	4	0
Earnings before income taxes	**723**	**–104**	**619**	**399**	**54**	**452**
Income taxes	–211		–211	–111		–111
Adjustment based on normalized income taxes		71	71		1	1
Net income	**513**	**–33**	**479**	**288**	**54**	**342**

Adjusted net income

The EBIT earnings indicator determined in accordance with IFRS standards is first adjusted for the special items “effects from the increase in the stake in IAE V2500”, “effects from the GTF™ fleet management plan” and “significant non-period earnings impacts” covered in the section on adjusted EBIT and adjusted EBIT margin, in order to calculate adjusted earnings before income taxes for the aforementioned purpose of providing adjusted key figures.

Subsequently, net interest income/expense and the interest shares in other financial income/expense, which are mainly connected with provisions for pensions and liabilities from pensions and plan assets, are added to adjusted EBIT. None of the other components of financial income/expense, especially those that are influenced by foreign currency effects, such as the effects of exchange-rate hedging, are taken into account. Lastly, “normalized” taxes on income and earnings are then deducted from the adjusted earnings before tax, which then define the adjusted net income. “Normalized taxes” are calculated using a normalized Group tax rate of 27%, whereby the profit/loss of companies accounted for using the equity method included in the adjusted earnings before tax do not form part of the tax base.

Financial position

The reconciliation of the cash flow statement serves to factor special items, especially those amounts recognized in non-recurring cash flows that are material and, above all, refer to other periods, out of the key financial performance figures of the Group and its segments. The aim is to measure the success of managing operating activities in the reporting period and, on the other hand, provide financial information for efficient comparison with different periods and companies. The adjusted liquidity figures do not come under the provisions of the International Financial Reporting Standards (IFRSs); they are to be seen as an addition to the key financial indicators reported pursuant to IFRS in the sense of alternative performance measures (APM).

With regard to its liquidity analysis, MTU reports the adjusted financial KPI: adjusted free cash flow (free cash flow (adjusted)).

Adjusted free cash flow

MTU determines its adjusted free cash flow by combining its cash flows from operating activities with its cash flows from investing activities, as calculated in accordance with IFRS regulations. In order to meet the aforementioned aim of providing adjusted financial performance indicators, the following non-recurring cash flows were eliminated from this total:

- “Effects from liquidity management”: Cash flows related to interest-bearing, non-speculative financial investments within the scope of liquidity management.
- “Effects from sales financing”: Cash flows related to participation in interest-bearing sales financing arrangements.
- “Material aperiodic non-recurring cash flows”: Taking the materiality criterion defined for the reporting period (threshold: €45 million) into account, material aperiodic cash flows were eliminated for the reconciliation to adjusted free cash flow.
- Basic use cases for this are cash flows in connection with changes to the scope of consolidation (M&A activities), the stakes in OEM engine program investments (new entry, increase, sale) and the change in stakes in MRO program investments (new entry, increase, sale). The materiality criterion in the form of a threshold was defined from fiscal year 2024 onward.

Accordingly, net cash outflows from aircraft and engine financing transactions (“effects from sales financing”) of €9 million (January through June 2024: cash inflows of €19 million) were eliminated when calculating the free cash flow for the reporting period. No other categories of non-recurring cash flows were recorded in either the first half of 2025 or the first half of 2024, so no further adjustments were necessary.

Reconciliation of the cash flow statement

in € million	1.1. – 30.6.2025 As reported	1.1. – 30.6.2025 Non-recurring items	1.1. – 30.6.2025 Adjusted figures	1.1. – 30.6.2024 As reported	1.1. – 30.6.2024 Non-recurring items	1.1. – 30.6.2024 Adjusted figures
Cash flow from operating activities	**414**		**414**	**350**		**350**
Cash flow from investing activities	**–212**	**9**	**–203**	**–225**	**–19**	**–245**
thereof: "effects from sales financing"		9	9		–19	–19
Free cash flow	**203**	**9**	**212**	**125**	**–19**	**105**

Notes to the consolidated balance sheet

14. Intangible assets

The intangible assets are program-independent technologies, development assets, software and acquired goodwill.

In the first six months of 2025, intangible assets amounting to €150 million were recognized (January through June 2024: €36 million). Of this amount, €114 million was attributable to rights and licenses (January through June 2024: €7 million) and €36 million to internally generated development assets and related borrowing costs (January through June 2024: €29 million).

Amortization of intangible assets came to €33 million in the first six months of 2025 (January through June 2024: €30 million).

15. Property, plant and equipment

In the period from January 1 to June 30, 2025, additions to property, plant and equipment amounted to €276 million (January through June 2024: €246 million) and mainly comprised operational and office equipment and assets under construction. Depreciation and impairment losses on property, plant and equipment amounted to €146 million in the first six months of 2025 (January through June 2024: €120 million).

16. Financial assets

Financial assets accounted for using the equity method

The composition of the financial assets accounted for using the equity method is unchanged compared with December 31, 2024; they are described in the Annual Report 2024, page 278 et seq. The decrease in the reporting period was mainly due to dividends from companies accounted for using the equity method, which reduced their carrying amount, and to the change in the U.S. dollar exchange rate compared with December 31, 2024.

Other financial assets

Composition of other financial assets

in € million	Total June 30, 2025	Total Dec. 31, 2024	Non-current June 30, 2025	Non-current Dec. 31, 2024	Current June 30, 2025	Current Dec. 31, 2024
Financial assets measured at purchase cost	**1,001**	**973**	**68**	**89**	**933**	**884**
Loans to third parties[1]	31	26	31	26		
Loans to related companies[1]	9	7	9	7		
Receivables from employees	6	4	2	2	4	2
Receivables from suppliers	9	24			9	24
Aftermarket compensation payments	802	789			802	789
Miscellaneous other financial assets	144	123	26	54	118	69
Financial assets at fair value through other comprehensive income	**13**	**12**	**13**	**12**		
Other interests in related companies	13	12	13	12		
Derivatives without hedging relationship						
Derivatives with hedging relationship	**202**	**4**	**91**	**2**	**111**	**1**
Total other financial assets	**1,216**	**988**	**172**	**103**	**1,044**	**885**

[1] Considered as part of net financial debt.

The increase in loans to third parties is primarily attributable to net cash outflows from stakes in consortia that grant financing for aircraft and engines as part of commercial OEM programs.

The increase in aftermarket compensation payments results from stakes in consortia in connection with GTF aftermarket contracts, which are currently dominated by considerable performance surpluses, which will be refunded through contractual payments by program customers in the future.

Miscellaneous other financial assets amounting to €144 million (previous year: €123 million) relate to numerous individual items. The increase in the reporting year relates mainly to receivables from deferred profit distribution from joint ventures.

Other interests in related companies primarily concern shares held in non-consolidated companies as well as shares in associated companies.

17. Acquired program assets, development work and other assets

Acquired program assets, development work and other assets

in € million	June 30, 2025	Dec. 31, 2024
Acquired program assets	524	540
Acquired development work	209	177
Other assets	73	87
Total Acquired program assets, development work and other assets	**805**	**805**

In the first six months of 2025, MTU spent €0 million (January through June 2024: €13 million) on the acquisition of program assets. The total amount of acquired program assets recognized in profit or loss in the reporting period was €20 million (January through June 2024: €20 million).

MTU acquired development assets amounting to €36 million in the first six months of 2025 (January through June 2024: €34 million). In the reporting period, compensation payments for development work in an amount of €5 million (January through June 2024: €5 million) paid to consortia leaders (OEM) were offset against revenue. No impairment losses were recognized for development compensation payments as a result of ad-hoc impairment testing (IAS 36) in either the reporting period or the prior-year period.

Other assets include claims for tax refunds in respect of transactional taxes, prepaid insurance premiums and rents.

19. Inventories

Inventories

in € million	June 30, 2025	Dec. 31, 2024
Raw materials and supplies	828	914
Work in progress	647	598
Finished goods	235	218
Advance payments	24	23
Total inventories	**1,733**	**1,753**

20. Trade receivables

Trade receivables

in € million	June 30, 2025	Dec. 31, 2024
Third parties	833	890
Related companies	599	775
Total trade receivables	**1,432**	**1,665**

21. Contract assets

A contract asset is a contractual right to consideration in exchange for goods or services that the entity has transferred to a customer, but for which there is not yet an unconditional right to payment. The changes in the reporting period result from business performance and, in particular, the change in the U.S. dollar exchange rate from U.S.$1.04 per €1 at year-end 2024 to U.S.$1.17 per €1 as of June 30, 2025.

23. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and bank balances. This item also includes foreign-currency holdings, especially in U.S. dollars, with an equivalent value of €202 million (December 31, 2024: €248 million).

24. Equity

Changes in equity are presented in the consolidated statement of changes in equity.

The company's subscribed capital is unchanged at €54 million and is divided into 54 million no-par-value registered shares.

The capital reserves contain premiums from the issue of shares and the equity component (net of proportional transaction costs and taxes) of the bond issued in 2007 and redeemed or converted in 2012, the convertible bond issued in 2016, which was partially redeemed in 2019 and repaid or converted by May 2023, and the convertible bond issued in 2019.

A total of 53,785,246 shares in MTU Aero Engines AG, Munich, were in circulation as of June 30, 2025 (June 30, 2024: 53,770,914 shares). The company held 39,243 treasury shares as of June 30, 2025 (June 30, 2024: 53,575 shares).

No shares in the company were purchased under the authorization of the Annual General Meeting of May 8, 2024 to implement employee stock programs, either in the reporting period or in the prior-year period.

25. Pension provisions

The discount rate for pension provisions increased from 3.31% as of December 31, 2024 to 3.6% as of June 30, 2025.

27. Other provisions

The other provisions take account of obligations arising from warranty and liability risks, personnel obligations and invoices not yet received. The increase of €51 million in other provisions to €242 million corresponds to business growth and performance, and comprises additions to other liabilities, warranty provisions and personnel provisions.

28. Financial liabilities

Financial liabilities

	Total		Non-current		Current	
in € million	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024	June 30, 2025	Dec. 31, 2024
Bonds and notes	865	1,358	842	841	23	517
Convertible bond	494	492	494	492	0	0
Promissory note	302	308	300	300	2	9
Financial liabilities to banks	89	7	5	4	84	3
Financial liabilities to related companies	5	2			5	2
Lease liabilities	271	261	191	184	80	77
Program liabilities with financing character	425	405	330	291	94	114
thereof: arising from acquisition of stakes in engine programs	147	55	125	23	22	32
thereof: from imbalance payments due to program participations	277	350	205	268	72	82
Total gross financial debt	**2,451**	**2,833**	**2,162**	**2,112**	**289**	**722**
Derivatives without hedging relationship	2	4	0	0	2	3
Derivatives with hedging relationship		126		54		72
Personnel-related financial liabilities	176	229	95	97	81	132
Miscellaneous other financial liabilities	77	125	2	2	75	122
Total other financial liabilities	**255**	**483**	**97**	**153**	**158**	**329**
Total financial liabilities	**2,706**	**3,316**	**2,259**	**2,265**	**447**	**1,051**

Bonds and notes

For full details of the registered bond with a nominal value of €100 million and the corporate bond with a nominal value of €750 million issued in 2024, please refer to the Annual Report 2024, page 296. The corporate bond issued on July 1, 2020 with a nominal value of €500 million and a maturity of five years was repaid early on April 14, 2025.

Convertible bond

In connection with the partial redemption of the convertible bond issued in 2016, MTU Aero Engines AG issued an unsecured convertible bond in 2019 for a total nominal amount of €500 million. This bond is convertible into registered non-par-value shares in MTU from September 18, 2024.

For a full description of the convertible bond, please refer to the Annual Report 2024, page 296 et seq.

Promissory notes

For a detailed description of the two promissory note loans placed by MTU Aero Engines AG in 2024 with a combined nominal value of €300 million, please refer to page 297 of the Annual Report 2024.

Financial liabilities to banks

This item includes KfW development loans and the temporary accounting-related effects of utilization of contractual credit facilities for payments – value-date offsetting against available liquidity is therefore ensured.

For a full description of the financial liabilities to banks, please refer to the Annual Report 2024, page 297.

Revolving credit facility

In 2022, a €500 million revolving credit facility was concluded with nine banks. This had an original term of five years, ending on June 29, 2027, and has now been extended to June 29, 2029 on the basis of the available options. The credit facility had not been drawn down as at the reporting date (December 31, 2024: €0 million).

The available amount secures the mid-term financial flexibility of the MTU Group. Any credit utilized is subject to interest at the customary market reference rates plus an additional margin. The unused amount of the revolving credit facility is subject to a loan commitment fee.

Program liabilities with financing character

Financial liabilities arising from acquisition of stakes in engine programs

This item includes deferred purchase price components for stakes in OEM and MRO programs, in particular relating to the increase in the IAE V2500 program stake and to usage-independent MRO license fees.

In view of the structure of the underlying agreements, these liabilities are considered as financing liabilities for MTU.

Imbalance payments within the scope of stakes in programs

In 2022, an agreement was concluded with the OEM for stakes in commercial engine programs to settle production-related imbalance payments accumulated up to the end of 2021. The agreement provides for a fixed redemption amount and a payment plan over six years with fixed installments. In accordance with the agreement, a redemption payment of U.S.$44 million was made in the reporting period.

In the previous year, additional agreements were concluded with the OEM for commercial engine program stakes to reimburse production-related imbalance payment obligations. The liabilities in question prior to the agreement were to be recognized as part of the refund liabilities, taking into account the inherent estimation requirements with regard to amount and maturity. The agreement in the previous year now provides for a payment plan over five years with fixed installments, falling due from June 15, 2029, in return for a fixed redemption amount with a nominal value of U.S.$200 million.

Taking into account the financing of production-related imbalance payments, which are measured on the basis of the risk- and maturity-adjusted interest rate at the conclusion of the contract, the total liability in question amounted to €277 million as at the reporting date (previous year: €350 million).

Lease liabilities

Lease liabilities relate to liabilities under leases recognized using the effective interest rate method, especially in connection with office and industrial premises and the engine leasing business.

For a description of the main leased assets, please refer to the Annual Report 2024, page 320 et seq.

Liabilities from derivatives

The derivatives of €2 million with and without hedging relationships recognized as financial liabilities as of the reporting date (December 31, 2024: €129 million) are used to offset currency and commodity price risks.

The decrease in liabilities is mainly attributable to an increase in the fair value of forward foreign exchange contracts due to changes in the U.S. dollar exchange rate as of the reporting date.

Personnel-related financial liabilities

The personnel-related financial liabilities of €176 million (December 31, 2024: €229 million) mainly comprise entitlements to pension capital totaling €94 million (December 31, 2024: €115 million) resulting from direct commitments through the company pension plan. This item also contains obligations arising from performance-related and other special compensation components totaling €47 million (December 31, 2024: €93 million), claims to vacation pay, Christmas pay and collectively agreed one-time payments totaling €11 million (December 31, 2024: €0 million) and claims arising from the employee stock option program (MAP) totaling €9 million (December 31, 2024: €14 million).

Miscellaneous other financial liabilities

The miscellaneous other financial liabilities of €77 million (December 31, 2024: €125 million) include customer credit balances of €14 million (December 31, 2024: €16 million) and a large number of minor individual obligations.

30. Contract liabilities

The contract liabilities contain advance payments received for the delivery of engine modules and components and for maintenance and repair services.

Where there are corresponding contract assets, these are offset in accordance with IFRS 15. In the reporting period, contract liabilities amounting to €506 million (December 31, 2024: €471 million) were offset against the corresponding contract assets.

31. Refund liabilities

Refund liabilities

in € million	Total June 30, 2025	Total Dec. 31, 2024	Non-current June 30, 2025	Non-current Dec. 31, 2024	Current June 30, 2025	Current Dec. 31, 2024
Warranty und liability risks	652	950			652	950
Invoice corrections / Subsequent costs	2,239	2,355			2,239	2,355
Total refund liabilities	**2,892**	**3,305**	**0**	**0**	**2,892**	**3,305**

Refund liabilities often arise from the multi-step invoicing system for commercial engine programs (OEM). Sales typically occur under commercial engine programs in connection with:

- delivery of new engines to aircraft manufacturers,
- delivery of spare parts to MRO service providers, and
- provision of repair and maintenance services to airlines and leasing companies

with reference to the catalog list price. Consortium leaders (OEMs) frequently make supplementary agreements with program customers that grant effective discounts as the program's supplies and services are utilized.

In accordance with invoicing practice for stakes in commercial engine programs, retrospective price corrections are granted for share of revenue allocated by the OEM; these are anticipated through the accrual of refund liabilities for invoice corrections/subsequent costs and thus impact revenue. Some of the accrued price corrections are classified as marketing expenses for commercial engine programs (series engine discounts), where final settlement by the consortium leader (OEM) is outstanding. The decrease in this item in the reporting period corresponds principally to the a reduction in the value of the liabilities due to exchange rate movements, which was partially offset by business expansion.

Refund liabilities from warranty and liability risks are related in particular to obligations to make compensation payments due to participation in consortia for commercial engine programs (OEM). On the reporting date and December 31, 2024, the refund liabilities mainly comprise MTU's obligations in connection with the GTF™ fleet management plan.

The decrease in this item is mainly due to drawdowns in the reporting period in connection with the GTF™ fleet management plan and a reduction in the value of the liabilities due to exchange rate movements.

On the basis of prudence and in accordance with the MTU accounting principles and policies – see Annual Report 2024, page 239– the above liabilities are classified as current. They are initially refund liabilities with no contractual due date. Depending on the transaction within the relevant engine program, the refund liabilities are settled by MTU within the normal business cycle. Based on experience, effective settlement of the majority of the liabilities only occurs after 12 months.

32. Other liabilities

Other liabilities

in € million	Total June 30, 2025	Total Dec. 31, 2024	Non-current June 30, 2025	Non-current Dec. 31, 2024	Current June 30, 2025	Current Dec. 31, 2024
Personnel-related liabilities						
Social security	2	2			2	2
Other personnel-related liabilities	74	48			74	48
Other tax liabilities	30	56			30	56
Other liabilities	8	16		4	8	12
Total other liabilities	**114**	**123**		**4**	**114**	**119**

Personnel-related liabilities

The other personnel-related liabilities are mainly due to employees' unused vacation entitlements and flextime credits.

Other tax liabilities

The liabilities for other taxes relate to wage and church taxes and transaction taxes payable in Germany and other countries.

Miscellaneous other liabilities

The miscellaneous other liabilities comprise accrued expenses and deferred income.

33. Additional disclosures relating to financial instruments

Carrying amounts, measurement / recognition methods and fair values

The following tables present the carrying amounts of financial instruments, regardless whether the instruments fall within the scope of IFRS 7 or IFRS 9. In addition, the carrying amounts are compared to the fair values.

Disclosures relating to financial instruments: Carrying amounts, measurement/recognition methods and fair values as of June 30, 2025

in € million	Carrying amount as of June 30, 2025	Measurement category acc. to IFRS 9			Amount carried in balance sheet IFRS 16	Fair value not allocated to any measurement category	Total	Fair value as of June 30, 2025
		Measured at amortized cost	Fair value through other comprehensive income	Fair value through profit or loss				
ASSETS								
Trade receivables	1,432	1,432					1,432	1,432
Cash and cash equivalents	1,273	135		1,138			1,273	1,273
Other financial assets								
Other interests in related companies	13	13					13	13
Loans and receivables	1,001	1,001					1,001	1,001
Derivative financial assets								
Derivatives with hedging relationship	202					202	202	202
EQUITY AND LIABILITIES								
Refund liabilities	2,892	2,892					2,892	2,892
Trade payables	365	365					365	365
Financial liabilities								
Bonds and notes	865	865					865	879
Convertible bond 2019	494	494					494	562
Promissory note	302	302					302	314
Financial liabilities to banks	89	89					89	89
Financial liabilities to related companies	5	5					5	5
Lease liabilities	271				271		271	
Program liabilities with financing character								
thereof: arising from acquisition of stakes in engine programs	147	147					147	147
thereof: arising from imbalance payments due to program participations	277	277					277	282
Derivative financial liabilities								
Derivatives without hedging relationship	2			2			2	2
Derivatives with hedging relationship	0					0	0	0
Personnel-related financial liabilities	176					176	176	176
Miscellaneous other financial liabilities	77	77					77	77

Disclosures relating to financial instruments: Carrying amounts, measurement/recognition methods and fair values as of December 31, 2024

in € million	Carrying amount as of December 31, 2024	Measurement category acc. to IFRS 9			Amount carried in balance sheet IFRS 16	Fair value not allocated to any measurement category	Total	Fair value as of December 31, 2024
		Measured at amortized cost	Fair value through other comprehen-sive income	Fair value through profit or loss				
ASSETS								
Trade receivables	1,665	1,665					1,665	1,665
Cash and cash equivalents	1,747	1,121		625			1,747	1,747
Other financial assets								
Other interests in related companies	12	12					12	12
Loans and receivables	973	968				5	973	973
Derivative financial assets								
Derivatives with hedging relationship	4					4	4	4
EQUITY AND LIABILITIES								
Refund liabilities	3,305	3,305					3,305	3,305
Trade payables	504	504					504	504
Financial liabilities								
Bonds and notes	1,358	1,358					1,358	1,376
Convertible bond 2019	492	492					492	517
Promissory note	308	308					308	317
Financial liabilities to banks	7	7					7	7
Financial liabilities to related companies	2	2					2	2
Lease liabilities	261				261		261	
Program liabilities with financing character								
thereof: arising from acquisition of stakes in engine programs	55	55					55	54
thereof: arising from imbalance payments due to program participations	350	350					350	364
Derivative financial liabilities								
Derivatives without hedging relationship	4			4			4	4
Derivatives with hedging relationship	126					126	126	126
Personnel-related financial liabilities	229					229	229	229
Miscellaneous other financial liabilities	125	125					125	125

With regard to financial assets and liabilities measured at amortized cost, the cash and cash equivalents, trade receivables, other receivables and also trade payables, refund liabilities and other liabilities disclosed under these items mostly have short remaining terms; the amounts recognized in the balance sheet approximate their fair values.

The fair value of the financial assets and liabilities measured at fair value was derived from stock market prices or, alternatively, using a discounted cash flow method.

Classification of fair value measurements of financial assets and liabilities in accordance with the fair value hierarchy

To take account of the relevance of the estimated parameters used in the fair value measurement of financial assets and liabilities, MTU's financial assets and liabilities are allocated to three levels.

The three levels of the fair-value hierarchy are described below, together with their utilization when measuring financial assets and liabilities:

Level 1 Quoted prices in active markets for identical assets or liabilities (unadjusted input);

Level 2 Prices of assets or liabilities that can be observed directly or indirectly (derived);

Level 3 Unobservable inputs used to measure prices of assets or liabilities.

The convertible bond (2019), which is traded on the stock exchange and is carried at amortized cost, and the corporate bond were assigned to Level 1. All other qualifying financial instruments, especially the derivative financial instruments measured at fair value through other comprehensive income or at fair value through profit or loss are valued using a discounted cash flow (DCF) method and are therefore assigned to Level 2.

The following tables show the allocation of financial assets and liabilities measured at fair value to the three levels of the fair value hierarchy for 2025 and 2024:

Classification within the fair-value hierarchy as of June 30, 2025

in € million	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Cash and cash equivalents	1,138			1,138
Derivative financial instruments		202		202
Total financial assets	**1,138**	**202**		**1,340**
Financial liabilities measured at fair value				
Derivative financial instruments		2		2
Total financial liabilities		**2**		**2**

Classification within the fair-value hierarchy for the 2024 fiscal year

in € million	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Cash and cash equivalents	625			625
Derivative financial instruments		4		4
Total financial assets	**625**	**4**		**629**
Financial liabilities measured at fair value				
Derivative financial instruments		129		129
Total financial liabilities		**129**		**129**

Within the scope of its participation in consortia for commercial engine programs, MTU is a party to aircraft financing agreements for the purpose of promoting sales. In principle, such commitments are made jointly with the OEM (consortium leader) of the engine program in its favor. They are provided in two basic forms: predelivery payments (PDP) and backstop commitments. In both cases, any funds made available to the purchaser are always transferred directly to the aircraft manufacturer solely by the consortium leader (OEM).

MTU classifies loan offers received up to the reporting date totaling a nominal amount, translated into euros, of €780 million (December 31, 2024: €889 million) as part of its gross liquidity risk in accordance with the requirements of IFRS 7. However, based on multi-year experience, it is considered to be very unlikely that all these nominal loan amounts will actually be utilized to their full extent. This is because the financing terms offered take account of the creditworthiness of the purchaser of the aircraft, based on market practice, through clauses in the credit agreement. The terms for backstop commitments are deliberately prohibitive. In the case of predelivery payments (PDP), the consortium has collateral rights to the aircraft while it is still in production and thus in the possession of the aircraft manufacturer. In the case of backstop commitments, the aircraft is collateral under substantive law. It is to be expected that third parties arrange relevant portions of the financing commitments directly with the purchaser of the aircraft, not least due to the financing conditions.

In addition, there were unutilized financing commitments for non-consolidated equity investments in the form of capital contributions or shareholder loans totaling €124 million as of the reporting date (December 31, 2024: €150 million).

37. Contingent liabilities and other financial obligations

As of June 30, 2025, contingent liabilities amounted to €381 million (December 31, 2024: €414 million).

On the reporting date, as on December 31, 2024, the contingent liabilities comprised legal costs and liability risks relating to arbitration proceedings to which MTU is a party through its stakes in commercial engine programs (OEM). In the reporting period, there were still no amounts due and payable. No material claims are expected in the 2025 fiscal year. For information and disclosures regarding the composition of contingent liabilities and other financial obligations, please refer to the Annual Report 2024, page 323.

Purchase commitments for intangible assets and property, plant and equipment amounted to €181 million as of June 30, 2025 (December 31, 2024: €443 million).

38. Related party disclosures

Related companies

Transactions between Group companies and joint ventures or associates were, without exception, entered into in the normal course of business and on an arm's length basis.

Transactions between consolidated companies were fully eliminated for consolidation purposes and are therefore not disclosed separately in this Note.

Business with related companies

In the reporting period, intragroup transactions involving the supply of goods and services were conducted by Group companies as part of their normal operating activities (e.g., development, repairs, assembly, IT support).

Receivables from these companies were valued at €599 million as of June 30, 2025 (December 31, 2024: €775 million). Liabilities stood at €161 million (December 31, 2024: €132 million). Income came to €1,577 million in the first six months of 2025 (January through June 2024: €1,378 million). Expenses equaled €1,187 million (January through June 2024: €805 million).

Related persons

No Group companies entered into any material transactions with members of the Group's Executive Board or Supervisory Board or with any other individuals in key management positions, or with companies of whose governing or supervisory bodies these individuals are members. The same applies to close members of the families of those individuals.

Events after the reporting date (June 30, 2025)

On July 10, 2025, MTU announced the timeline for the change of CEO first disclosed in December 2024. Dr. Johannes Bussmann (56) joined the Executive Board on July 15, 2025 and will take the helm at MTU Aero Engines AG on September 1, 2025. The current CEO, Lars Wagner, will step down from the Executive Board on August 31, 2025, and will remain with the company in an advisory capacity until his departure on October 31, 2025.

On June 26, 2025, the Bundestag (German parliament) passed a law for an immediate tax investment program to bolster Germany's standing as a business location. Among other things, the new legislation provides for a reduction in the corporation tax rate from the current 15% to 10%. The reduction will be implemented gradually from 2028 onwards, with the rate falling by 1 percentage point each year. As the Bundesrat (Germany's Federal Council) did not approve the law until July 11, 2025, it has no impact on the measurement of deferred taxes as of June 30, 2025. MTU is currently examining the impact of the legislation on the financial statements from Q3 2025 onwards but cannot quantify it yet.

There were no other events of specific importance with a significant impact on the net assets, financial position and results of operations of the MTU Group between the date of the interim report and the preparation of this half-year financial report on July 21, 2025.

Publication of the half-year financial report

The half-year financial report of MTU Aero Engines AG, Munich, for the period from January 1 through June 30, 2025, has been published on the internet (www.mtu.de).

Munich, July 21, 2025

signed
Lars Wagner
Chief Executive Officer

signed
Dr. Johannes Bussmann
Board Member
(CEO designate)

signed
Katja Garcia Vila
Chief Financial Officer (CFO)
and Chief Information
Officer (CIO)

signed
Dr. Silke Maurer
Chief Operating Officer

signed
Michael Schreyögg
Chief Program Officer

Responsibility statement

We hereby affirm that, to the best of our knowledge, the condensed consolidated interim financial statements of the MTU Group present a true and fair view of the net assets, financial position and results of operations in accordance with the applicable financial reporting standards, and that the interim Group management report provides a faithful and accurate review of the operating performance of the MTU Group, including its business performance and its position, and outlines the significant opportunities and risks of the MTU Group's likely future development.

Munich, July 21, 2025

signed
Lars Wagner
Chief Executive Officer

signed
Dr. Johannes Bussmann
Board Member
(CEO designate)

signed
Katja Garcia Vila
Chief Financial Officer (CFO)
and Chief Information
Officer (CIO)

signed
Dr. Silke Maurer
Chief Operating Officer

signed
Michael Schreyögg
Chief Program Officer

Review Report

To MTU Aero Engines AG, Munich

We have reviewed the condensed interim consolidated financial statements of MTU Aero Engines AG – comprising the consolidated income statement, the consolidated statement of comprehensive income, the consolidated balance sheet, the consolidated statement of changes in equity, the consolidated cash flow statement and the notes to the interim consolidated financial statements – and the interim group management report for the period from 1 January to 30 June 2025 that are part of the semi annual (quarterly financial report) according to § 115 WpHG [“Wertpapierhandelsgesetz”: “German Securities Trading Act”]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 “Interim Financial Reporting” as adopted by the EU, and in accordance with International Accounting Standards IAS 34 “Interim Financial Reporting” as issued by the International Accounting Standards Board (IASB), and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the responsibility of the Company’s management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the EU, and in accordance with IAS 34, “Interim Financial Reporting Standard” as issued by the IASB, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical assessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot issue an auditor’s report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, “Interim Financial Reporting” as adopted by the EU, and in accordance with IAS 34, “Interim Financial Reporting” as issued by the IASB, or that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Munich, July 23, 2025

KPMG AG
Wirtschaftsprüfungsgesellschaft

Huber-Straßer	Hanshen
Wirtschaftsprüferin	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Additional information

Financial calendar

Interim financial report as of June 30, 2025 .... July 24, 2025

Quarterly statement as of September 30, 2025 .... October 23, 2025

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MTU Aero Engines AG on the internet

- You can find further information about MTU Aero Engines AG on the internet at www.mtu.de
- The Investor Relations site can be accessed directly at www.mtu.de/investor-relations
- You can find information on the products of MTU Aero Engines AG at www.mtu.de/engines

Translation. The German version takes precedence.

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