

MTU Aero Engines AG (XTRA: MTX)

Return to Flight

We are long MTU Aero Engines (MTX GR), a €19 billion aerospace engine specialist trading as if a temporary disruption has permanently impaired a business that is already through the worst of it. For years, MTU and its French peer Safran traded in lockstep across every meaningful valuation metric, reflecting fundamentally similar business models and exposure to the same long-duration, compounding aftermarket economics. That relationship broke in 2023, not because MTU's franchise changed, but because the market treated a manufacturing issue within the Pratt & Whitney GTF program – one for which MTU was not responsible – as if it had structurally damaged the business. Today, even with financial resolution now clearly in sight, MTU trades at historically depressed levels and a *40% discount* to peers. That gap is not justified and will not last.

The underlying business remains exactly what it has long been: a high-quality aero-engine franchise with embedded positions in major programs that generate decades of aftermarket cash flow. Growth is driven by flight hours, not economic cycles. Returns are high, visibility is long, and MTU has a history of beating expectations. What has changed is not the economics but the optics. GTF-related compensation payments and a temporary working capital build have distorted reported cash conversion, creating the impression of weaker underlying performance where none exists. Adjust for those timing effects and MTU is already generating cash in-line with historical performance, with a path to peer convergence as working capital headwinds further unwind.

The operational data has already turned. The number of grounded airplanes has peaked and begun to decline even as the GTF installed base continues to grow. Throughput across the MRO network increased 26% in 2025 and accelerated further in the fourth quarter as work scopes deepened. Turnaround times are improving, shop capacity is coming online, and bottlenecks are beginning to ease. Management has been consistent that the fleet management program remains on track, with the bulk of cash outlays behind the company and 2026 representing the final year of compensation payments. What remains is increasingly concentrated in more complex, longer-duration cases rather than a broad-based issue across the fleet. MTU is not a business under pressure, but one steadily working through the back end of a defined process.

The valuation still assumes otherwise. MTU does not need to become a better business to close the gap. It only needs to be recognized as the business it has always been. As cash flow normalizes and reported results catch up to underlying economics, that recognition should come quickly. The setup is not speculative. The recovery in fundamentals is already visible; the market has simply not cleared it for takeoff. We see fair value at €545, implying 67-69% upside.

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Investment Highlights

MTU trades at a steep discount because a temporary disruption has been priced as structural impairment. For most of the past decade, MTU and Safran traded in lockstep across every meaningful valuation metric – EV/EBIT, P/E, and free cash flow yield – reflecting their shared exposure to the same global engine ecosystem and installed base economics. That relationship broke in 2023 following the GTF powder metal disclosure, triggering a re-rating that was initially justified but has since become disconnected from reality.

Despite disruption from the GTF recall moving steadily toward resolution, MTU trades at a 40% discount on both P/E and EV / EBIT – the widest gap to its closest peer since the manufacturing issue emerged. The market is anchored on a problem that the company is increasingly leaving behind, creating an attractive entry point into a high-quality franchise.

Operational data across the GTF ecosystem shows clear and accelerating improvement. Aircraft-on-ground (AoG) levels have declined from a peak of approximately 720 to roughly 620 as of the end of March. According to [RTX](#) (the parent company of Pratt & Whitney), throughput across the MRO network strengthened throughout 2025, accelerating to 39% in the fourth quarter and up 26% for the full year, even as heavier shop visits rose 40%. This momentum is expected to carry over into 2026, with year over year growth in MRO throughput guided to match the improvement seen in 2025. Independent data points in the same direction, with a January 2026 UBS survey showing 44% of MRO operators reporting turnaround time improvement, up steadily over the past two years. The network is processing more engines, more efficiently, and at higher economic value per visit.

Current pressure on free cash flow is not structural and already normalized beneath the surface. Reported 2026 cash conversion of 45–55% appears low but is depressed by two identifiable factors: GTF-related compensation payments and building up inventory at an MRO facility in Fort Worth. Adjusting for these items, underlying cash conversion is already 75–85% – in line with MTU's historical performance pre-GTF disruption.

As these headwinds roll off, reported conversion will inflect sharply. Toward the end of the decade, MTU management has stated that free cash flow conversion could exceed 100% as working capital drags from unscheduled GTF-related shop visits slow and then reverse. Despite this, the market remains myopically focused on a modest difference in cash conversion versus Safran – a gap that is a fraction of what existed pre-GTF crisis, when both companies traded at the exact same P/E and EV/EBIT multiples. The current ~11-turn P/E discount is therefore not rooted in economics, but reflects a lingering overreaction to temporary, already-reversing distortions in reported cash flow.

Not all aircraft-on-ground are created equal, and aggregate data overstates financial risk. Investors have focused on headline AoG figures and mapped them to ongoing financial exposure, but the composition of the remaining backlog matters more than the absolute count. The residual out-of-service population is increasingly concentrated in financially weaker carriers, structurally challenged markets, and operators with limited compensation leverage. These are

not representative of the core GTF installed base that drives MTU's long-term economics. As a result, the financial impact of the remaining AoG pool is lower than headline data implies, particularly as the program progresses into its later stages.

Spare engine mix concerns are overblown. Spare engine deliveries were an estimated 20–25% in 2025, above ~10% levels typically observed for mature engine programs. While the GTF disruption contributed to this increase, elevated spare demand is also a structural feature of newer engine programs, reflecting higher utilization, operating conditions, and airline preferences for additional flexibility.

Normalization will occur gradually over years, not quarters. MTU has already guided to a stable mix in 2026 followed by a gradual decline, undermining the idea of a sharp drop in volumes or margins. Any headwind is manageable and offset by continued growth in high-margin aftermarket parts. The bearish case relies on an abrupt reversal that is neither guided nor supported by current fleet dynamics.

MTU participates in a structurally advantaged aftermarket model with long-duration compounding economics. Through risk- and revenue-sharing partnerships, the company earns a proportional share of original equipment revenue and decades of high-margin aftermarket income tied to each engine delivered. The GTF installed base now comprises approximately 4,970 engines with an average age of just 4.1 years, leaving the majority of maintenance, spare parts, and life-limited component demand still ahead. Civil spare parts revenue carry high incremental margins, creating a compounding earnings stream driven by utilization rather than delivery cycles.

Management has a demonstrated history of conservative guidance and consistent outperformance. MTU has exceeded initial full-year EBIT guidance in 10 of the last 11 years, with the sole exception occurring during the COVID-driven collapse in global air travel. The current environment – balancing GTF remediation with capacity expansion – is precisely the type of operating backdrop where MTU has historically created the largest gap between guidance and outcome. The 2026 outlook continues to embed headwinds that are already abating, leaving room for upside as execution progresses.

The recent drawdown driven by the Iran conflict is a buying opportunity, not a change in fundamentals. MTU's exposure to the Middle East is modest: based on data from Cirium, the region accounts for just ~1% of the global GTF installed base (roughly 60 engines) and Middle East operators make up ~7% of MTU's total engine fleet. Any impact to deliveries or maintenance activity reflects timing, not demand destruction. Backlog remains intact, fleet aging continues, and there is no evidence of structural contraction in air traffic. The stock has declined 18% since February, returning to trading multiples last seen during peak GTF uncertainty and April 2025 tariff confusion, both of which proved to be attractive entry points.

The valuation reflects trough optics rather than normalized earnings power. MTU currently trades at approximately 11x our two-year forward EV/EBIT and 14x P/E. This compares with Safran at 18x two-year forward EV/EBIT and 25x P/E despite comparable growth, margins, and

long-term economics. Even partial compression toward historical relationships implies meaningful upside as the factors depressing reported results unwind and the market refocuses on steady-state FCF generation. Based on an average of Safran multiples for EBIT, EPS, and FCF applied to our forecast for MTU, we estimate fair value at €545, implying 68% upside.

Company Overview

Capitalization and Summary Financials							
€ Millions, Balances as of Dec 30, 2026		Financial Summary					
		Fiscal year end Dec 31,	2024A	2025A	2026E	2027E	2028E
MTU (MTX GR) share price	€ 325						
Common shares outstanding	54	Revenue					
Market capitalization	€ 17,673	OEM Commercial	€ 1,919	€ 2,260	€ 2,530	€ 2,819	€ 3,122
Bonds and notes	853	OEM Military	612	614	703	767	838
Convertible bonds	496	Subtotal OEM	€ 2,531	€ 2,875	€ 3,232	€ 3,587	€ 3,960
Promissory note	308	Growth y/y	17%	14%	12%	11%	10%
Finance lease liabilities	326	MRO	5,066	5,960	6,787	7,597	8,392
Other financing liabilities	433	Growth y/y	14%	18%	14%	12%	10%
All other	12	Other consolidation	(109)	(118)	(120)	(123)	(115)
Gross debt	2,428	Total consolidated	€ 7,488	€ 8,717	€ 9,899	€ 11,061	€ 12,237
Cash and equivalents	(1,256)	Growth y/y	18%	16%	14%	12%	11%
Net debt	€ 1,172	EBIT Adjusted					
Minority interest	61	OEM (Commercial / Military)	€ 612	€ 873	€ 956	€ 1,070	€ 1,150
Total enterprise value	€ 18,906	Margin	24%	30%	30%	30%	29%
		MRO	438	478	548	641	735
		Margin	9%	8%	8%	8%	9%
		Total EBIT Adjusted	€ 1,050	€ 1,351	€ 1,504	€ 1,712	€ 1,886
		Growth y/y	29%	29%	11%	14%	10%
		Margin	14.0%	15.5%	15.2%	15.5%	15.4%
		EBITDA Adjusted	€ 1,533	€ 1,767	€ 1,977	€ 2,239	€ 2,470
		Growth y/y	18%	15%	12%	13%	10%
		Margin	20.5%	20.3%	20.0%	20.2%	20.2%
		Net income adjusted	€ 764	€ 968	€ 1,149	€ 1,261	€ 1,402
		EPS adjusted	€ 14.04	€ 17.79	€ 20.96	€ 23.17	€ 25.76
		Growth y/y		27%	18%	11%	11%
		Free cash flow (CFO - CFI)	€ 186	€ 379	€ 619	€ 1,035	€ 1,177
		Free cash flow conversion	24%	39%	54%	82%	84%
		Key Trading Multiples					
		EV / Adj. EBITDA	12.3x	10.7x	9.6x	8.4x	7.7x
		Price / Earnings	23.1x	18.3x	15.5x	14.0x	12.6x
		FCF Yield	1.1%	2.1%	3.5%	5.9%	6.7%

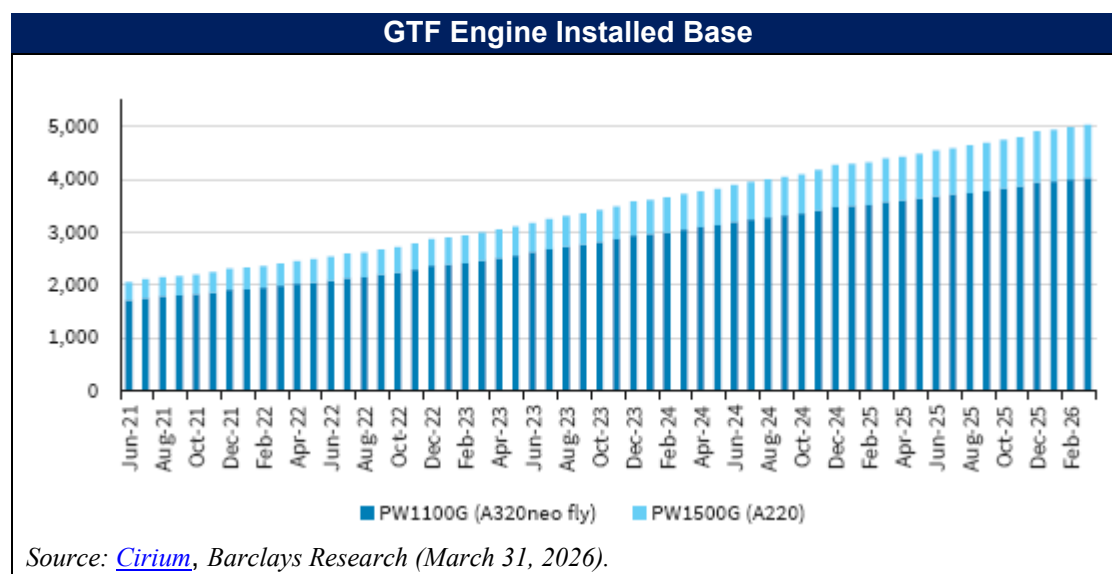
Source: MTU annual reports for historical financials, projections per Kerrisdale analysis.

MTU Aero Engines AG (MTU) is a leading global manufacturer and service provider of commercial and military aircraft engines, headquartered in Munich, Germany. Founded in 1934 and listed on the Frankfurt Stock Exchange (XETRA: MTX, US ADR: MTUAY), the company occupies a distinctive niche in the aerospace supply chain as both a precision engine module manufacturer and a leading independent provider of civil aero-engine maintenance, repair, and

overhaul (MRO) services. In 2025, MTU’s global maintenance [network](#), with more than 7,000 engine experts on five continents, processed approximately 1,500 engines.

MTU participates through revenue and risk sharing partnerships (RRSPs) with manufacturers such as Pratt & Whitney and GE Aerospace. In this model, MTU invests capital and engineering into specific high-value modules and earns a proportional share of both original equipment revenue and, more importantly, decades of aftermarket service income tied to the installed base. The [Pratt & Whitney GTF](#) (Geared Turbofan) engine program is the clearest illustration of the model at scale. MTU holds an 18% revenue and risk share on the GTF engine family, which now powers over 2,600 aircraft across the A320neo and A220 families with an installed base of approximately 5,020 engines.

The average age of the GTF installed base is just 4 years. That youth matters: the bulk of the high-margin aftermarket income – shop visits, life-limited part replacements, and spare parts consumption – lies ahead of it, not behind it. The result is a structurally attractive business with embedded positions on critical engine components, high barriers to entry, and a revenue stream that compounds for decades after each engine is delivered.



Within the global aero-engine ecosystem, MTU competes alongside a small group of Tier-1 propulsion suppliers and engine primes, including Safran, Rolls-Royce, GE Aerospace, and Pratt & Whitney, as well as independent MRO providers such as Lufthansa Technik. Its advantage lies in its specialization in high-value modules, particularly [low pressure turbines](#) and compressors, and in its embedded role within multinational engine programs that power the most widely operated commercial aircraft fleets in the world.

Unlike pure-play aftermarket providers such as StandardAero, or Tier 1 component specialists like GKN Aerospace, MTU occupies a unique position as both an OEM partner and an MRO leader. By combining design and manufacturing authority with global maintenance scale, MTU

gains proprietary insights into engine failure modes that competitors simply cannot access without being part of the original design consortium.

Industry Backdrop

The broader aerospace industry provides a powerful structural tailwind for companies positioned within the propulsion ecosystem. Global air travel demand has historically grown at roughly twice the rate of global GDP, driven by rising middle-class incomes, the expansion of low-cost carriers, and the continued growth of international mobility. That trend remained firmly intact in 2025, when global passenger traffic increased [5.3%](#) and air cargo volumes rose 3.1%, according to IATA, despite persistent supply-chain disruptions and a more uncertain macroeconomic environment. Looking ahead, [IATA forecasts](#) passenger traffic growth of 4.9% and cargo volumes increasing 2.6% in 2026 – with the global fleet continuing to expand toward levels that will sustain engine maintenance demand for the remainder of the decade.

At the same time, aircraft supply has struggled to keep pace with demand. Production delays and supply-chain disruptions have left the global industry roughly 5,000 aircraft deliveries short of pre-pandemic expectations since 2018, forcing airlines to keep older fleets in service longer than originally planned. Aircraft utilization and load factors remain elevated across the global fleet as a result. For engine manufacturers and maintenance providers, this combination of strong demand and constrained supply translates directly into higher flight hours, rising spare-parts consumption, and sustained demand for maintenance services. MTU's current order book of approximately €29.5 billion ([p.24](#)) reflects these favorable dynamics and leaves the company's production and maintenance capacity effectively sold out for the next several years.

Recent industry data underscores how powerful this dynamic has become. According to [AeroDynamic Advisory](#), global commercial MRO spending has increased roughly 40% since 2019 even as total fleet capacity has grown only about 10%. Engine maintenance is the fastest-growing portion of that market and is projected to represent approximately 53% of total commercial aftermarket spending in 2026, up from 49% in 2025 and 46% in 2024.

Several factors are driving this shift: the rising complexity of modern high-bypass engines, heavier work scopes as fleets age, and persistent supply-chain bottlenecks that continue to constrain spare-parts availability and maintenance throughput. The result is a global maintenance network operating near capacity, with engine shops facing long induction queues, spare-parts shortages, and rising demand for leased engines to bridge maintenance gaps. Industry [surveys](#) by RBC anticipate total MRO spending to increase roughly 11% in 2026, led by double-digit growth in both engine and component maintenance.

Financial Profile

MTU reports its operations across two segments. The OEM segment (33% of group revenue) – split roughly 79% commercial / 21% military – includes engine module production, spare-parts sales, and participation in major engine programs. The Commercial MRO segment performs

heavy maintenance on both MTU-participating engines and third-party platforms. Commercial MRO, which generated €5.96 billion in revenue in 2025, represents the largest share of group revenue at approximately 67% of the total and is the company's most stable and compounding franchise. MTU's MRO network spans facilities in Germany, Canada, the United States, Poland, China, and Singapore. Both segments have grown at double-digit rates in recent years as aircraft deliveries, flight hours, and maintenance activity expanded across the global fleet.

In 2025, even under the weight of an extraordinary headwind, MTU exceeded its initial guidance across all major metrics and set new records for revenue, earnings, and free cash flow. Adjusted revenue increased 16% to €8.7 billion, while adjusted EBIT rose 29% to approximately €1.35 billion, expanding margins to 15.5%. Adjusted net income increased 27% to €968 million, and free cash flow more than doubled to €378 million despite ongoing cash impacts from the GTF fleet management program.

At the segment level, MTU's engine partnership economics remain highly attractive. OEM revenue grew 18% to €2.26 billion, while OEM EBIT increased 43% to €873 million, expanding margins to approximately 30%. Commercial MRO revenues also grew 18% to €5.96 billion, though margins declined modestly to ~8%, reflecting ramp-up costs at the Fort Worth facility and a higher mix of GTF overhaul work – both temporary factors.

For 2026, management has guided adjusted revenue of €9.2-€9.7 billion and adjusted EBIT of approximately €1.35-€1.45 billion, implying approximately 9% revenue growth and roughly 4% EBIT growth at the midpoint. These figures conservatively assume a €/€ rate of \$1.20 versus hedges set at \$1.13; at rates closer to spot, revenues would be higher by an additional 4% and EBIT by approximately 2% (see Appendix I). MTU has a consistent track record of conservative guidance, beating initial full year EBIT guidance 10 out of the last 11 years, with the only exception being in 2020 due to Covid-19's unexpected crippling impact on global air travel (see Appendix II). The company's [2030 adjusted EBIT margin target](#) is 14.5-15.5%, the high end of which was exceeded in 2025.

Despite MTU's long history of beating and raising initial EBIT guidance, street estimates currently sit at the midpoint of its 2026 outlook. Our 2026 EBIT and EPS estimates are roughly 10% above consensus, reflecting a more lean-forward view of the company's improving trajectory. The gap is more pronounced in cash flow: our 2026 free cash flow estimate is ~20% ahead of the Street as we carry higher EBIT through conversion at the top of guidance. By 2027, we estimate ~€1 billion of free cash flow, well ahead of consensus, driven by 82% conversion (versus the street in the mid-60s percentage) as GTF headwinds roll off.

Reported Cash Flow is Depressed by Timing, Not Economics

Management has guided to a 2026 cash conversion rate of 45-55% of net income, implying approximately €460-€560 million of free cash flow. At face value, this appears well below the ~80-100% conversion typical of aerospace aftermarket peers and is the primary source of perceived divergence versus Safran.

Nearly all of the shortfall is explained by two identifiable factors: (1) GTF-related compensation payments to airlines, expected to total ~€214 million in 2026 (down from ~€300 million in 2025), and (2) approximately €85 million of working capital investment tied to inventory build at the Fort Worth facility ahead of ramping operations this summer.

Adjusting for these items, underlying cash conversion is already in the ~75–85% range of net income – consistent with MTU’s historical performance prior to the GTF disruption (more detail on this later in the report).

MTU 2026 FCF Bridge: Reported vs. Normalized Cash Conversion			
MTU 2026 Guidance	Low	High	Midpoint
Adj. EBIT	€ 1,350	€ 1,450	€ 1,400
Growth	0%	7%	4%
Net Income ⁽¹⁾	€ 967	€ 1,039	€ 1,003
Reported cash conversion rate	45%	55%	50%
Implied FCF	€ 435	€ 571	€ 502
Add back: GTF payments	214		
Add back: Ft. Worth inventory build	85		
Adjusted FCF	€ 734	€ 870	€ 802
Normalized FCF conversion	76%	84%	80%

*Source: Kerrisdale analysis, MTU guidance per [FY 2025 Investor Presentation](#).
Note: MTU guidance assumes a \$/€ exchange rate of 1.20, which compares with their hedge book average of 1.13 (p.16). At 1.15, revenue would be favorably impacted by €300 and adjusted EBIT by €20 million.*

1. Net income guided to grow in line with EBIT adjusted.

2026 represents the final year of meaningful GTF-related cash outflows. As compensation payments wind down and working capital normalizes, reported cash conversion will converge rapidly toward underlying earnings power. The market is valuing MTU on transitional metrics at the exact moment those distortions are set to reverse.

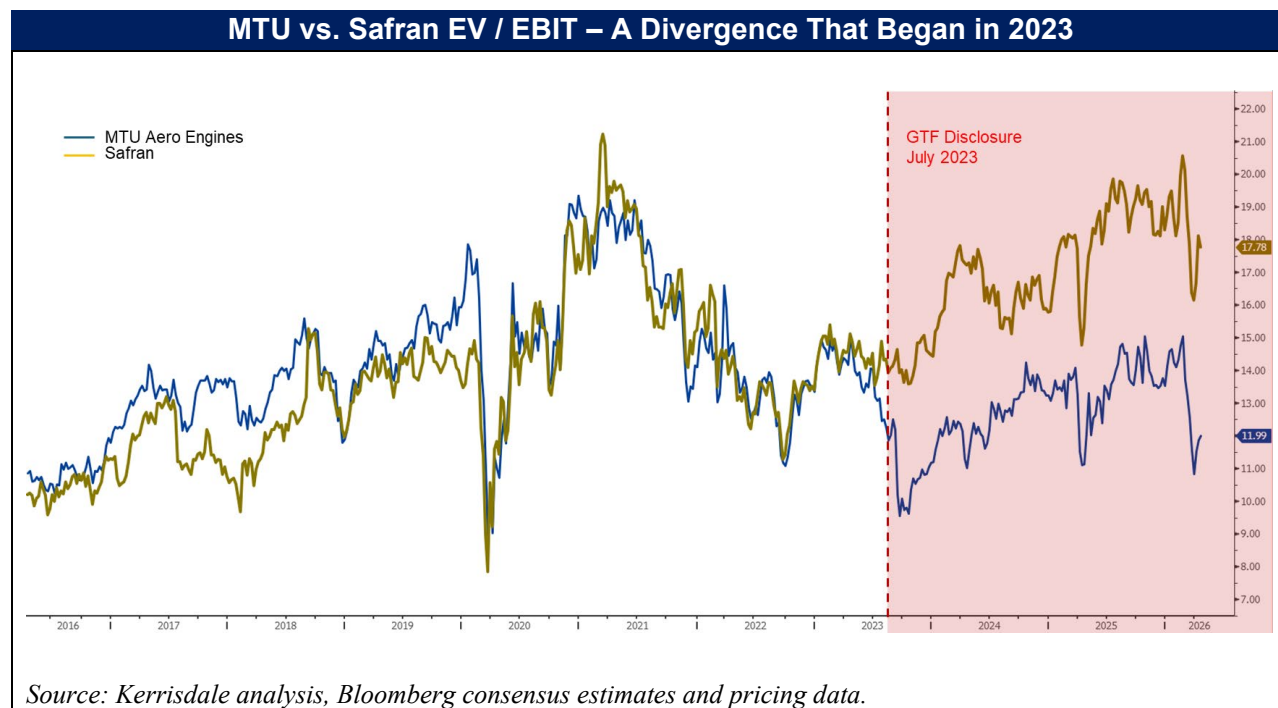
A Temporary Divergence Between Two Structurally Similar Businesses

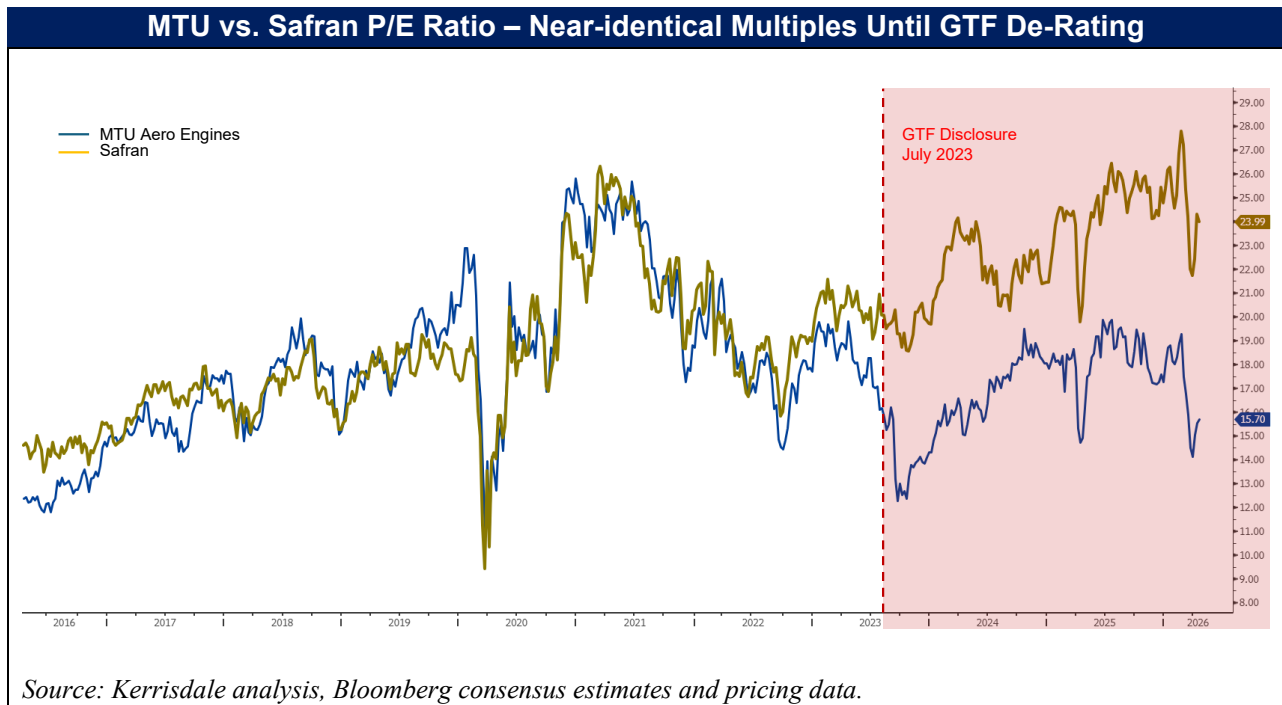
"Once the technical issues are solved, powder metal and all of that, I think the engine will end up being a great engine...the industry has a short memory."

— Former senior sales executive with **Airbus** for over 18 years

The following charts represent the core of the investment case. They show MTU and Safran's two-year forward EV/EBIT and P/E multiples from 2016 through today. For six consecutive years – across a period that included a global trade war, a pandemic, and a full airline industry collapse and recovery – the two companies traded in near lockstep. They were not valued as distinct businesses. They were valued as the same business.

That relationship broke in the second half of 2023 following the disclosure of the GTF powder metal issue. The market, unable or unwilling to distinguish between a time-limited manufacturing defect and a structural impairment, re-rated MTU relative to Safran in a sustained and compounding fashion. The result is a historically wide valuation gap that now stands at seven turns of EV/EBIT and 11 turns of forward P/E.





Source: Kerrisdale analysis, Bloomberg consensus estimates and pricing data.

Nothing about the underlying relationship between the two businesses has changed in a way that would justify that gap. Safran has continued to execute well, but its fundamental position within the engine ecosystem is not materially different from where it was when the two companies traded in line. MTU, for its part, has not experienced any structural impairment. Both remain exposed to the same global engine programs, derive the majority of their economics from long-duration aftermarket cash flows, and benefit from the same growth in narrowbody aircraft utilization. The divergence is not rooted in fundamentals. It is rooted in the market’s interpretation of a single, contained event.

Operators with the fullest picture of the GTF program continue to expand their commitments to it. Delta Air Lines – one of the world's largest GTF operators and an industry benchmark – recently added [34 firm A321neo orders](#), bringing its eventual GTF-powered narrowbody fleet to 189 aircraft, with deliveries commencing in 2029. Air Astana separately finalized a 25-aircraft A320neo family order weighted toward the longer-range A321neo LR variant. Airlines do not make decade-long fleet commitments to platforms they view as structurally impaired. What changed was not the quality of the business, but the market’s perception of a temporary disruption. That disruption now has a clearly defined and measurable path to resolution. As it is worked through, the basis for the valuation gap should disappear.

At a structural level, the similarities between Safran and MTU are straightforward. Both companies participate in engine programs through risk-sharing partnerships, earn modest returns on original equipment, and generate the majority of their profits through high-margin aftermarket activity tied to a growing installed base. Margin profiles, growth trajectories, and end-market exposures are closely aligned. The idea that one deserves to trade at a persistent 40% discount to the other is difficult to reconcile with their financial profiles.

Financial Comparison – MTU Aero Engines and Safran SA

€ millions	MTU Aero Engines AG				Safran SA			
	2024A	2025A	2026E	2027E	2024A	2025A	2026E	2027E
Income Statement								
Revenue	€ 7,488	€ 8,717	€ 9,899	€ 11,061	€ 27,317	€ 31,329	€ 35,521	€ 39,156
Growth %	18.4%	16.4%	13.6%	11.7%	17.8%	14.7%	13.4%	10.2%
Adj. EBIT	€ 1,050	€ 1,351	€ 1,504	€ 1,712	€ 4,119	€ 5,197	€ 6,133	€ 6,982
Margin	14.0%	15.5%	15.2%	15.5%	15.1%	16.6%	17.3%	17.8%
Adj. EBITDA	€ 1,533	€ 1,767	€ 1,977	€ 2,239	€ 5,417	€ 6,318	€ 7,699	€ 8,600
Margin	20.5%	20.3%	20.0%	20.2%	19.8%	20.2%	21.7%	22.0%
Adj. Net Income	€ 764	€ 968	€ 1,149	€ 1,261	€ 3,068	€ 3,175	€ 4,182	€ 5,092
Adj. Net Margin %	10.2%	11.1%	11.6%	11.4%	11.2%	10.1%	11.8%	13.0%
Adj. EPS (€)	€11.53	€18.72	€20.77	€22.96	€7.29	€7.60	€10.04	€12.34
Growth %	NA	62.4%	10.9%	10.5%	55.1%	4.2%	32.2%	22.9%
Free Cash Flow								
Free Cash Flow	€ 186	€ 379	€ 619	€ 1,035	€ 3,189	€ 3,921	€ 4,533	€ 4,905
FCF Conversion (% of NI)	24.3%	39.2%	53.9%	82.1%	103.9%	123.5%	108.4%	96.3%
FCF Margin %	2.5%	4.3%	6.3%	9.4%	11.7%	12.5%	12.8%	12.5%
Valuation								
EV / EBIT	18.0x	14.0x	12.6x	11.0x	31.2x	24.7x	21.0x	18.4x
Price / earnings	28.2x	17.3x	15.6x	14.1x	42.5x	40.8x	30.9x	25.1x
FCF yield	1.1%	2.1%	3.5%	5.9%	2.5%	3.0%	3.5%	3.8%

Source: Kerrisdale analysis. Interim and annual reports for 2024 and 2025 actuals, MTU projections per Kerrisdale estimates, Safran projections per Bloomberg consensus as of April 13, 2026.

GTF Disruption Headwind is Fading

The GTF disruption has already peaked and is now reversing. AoG levels reached approximately 720 at their peak and have since declined meaningfully, even as the installed base continues to grow. At the same time, throughput across the global MRO network has accelerated, turnaround times are improving, and additional capacity is coming online. The direction of travel is clear: the disruption is no longer expanding, it is being worked through.

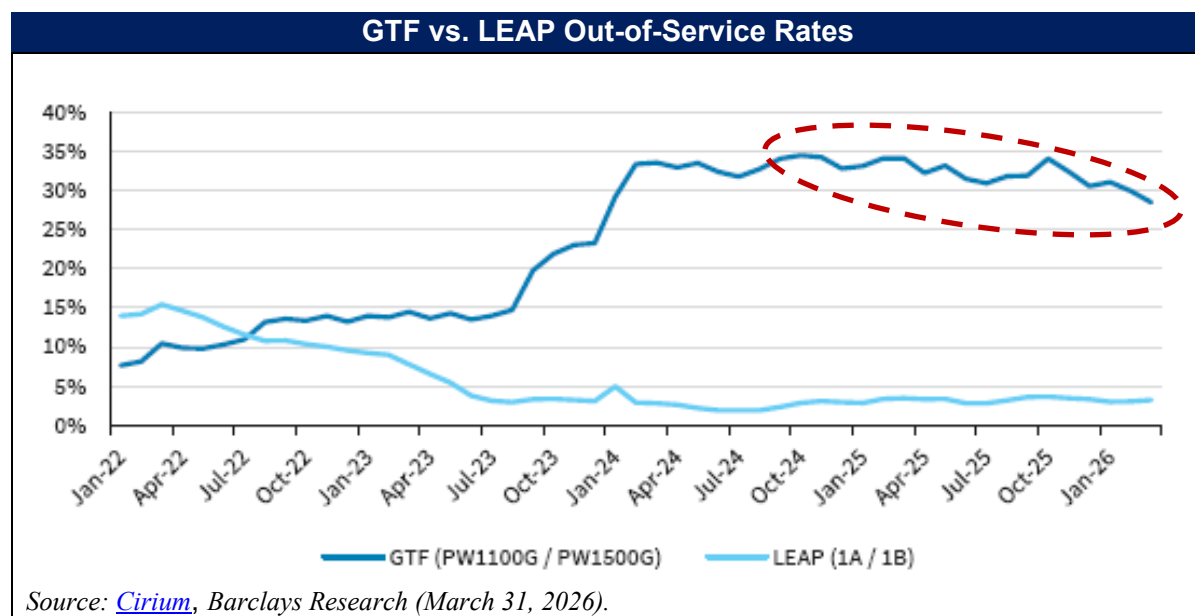
The issue first emerged in July 2023 when RTX disclosed that powder metal used to manufacture certain high-stress rotating components in its GTF engines had been contaminated during production between 2015 and 2021. The affected parts are high-pressure turbine and compressor disks, components that operate at extreme temperatures and rotational speeds in the engine core. Regulators required accelerated inspections across the global PW1100G fleet powering the Airbus A320neo family, an inspection campaign encompassing roughly 3,000 engines pulled from service years ahead of schedule.

Critically, this was not a design flaw and does not affect newly produced engines. Nor were the affected parts MTU's direct responsibility: the contamination was traced to raw material batches sourced from a third-party supplier during a specific production window. The affected components are now being systematically inspected and replaced on a defined remediation schedule.

The financial impact of the program is similarly well defined. RTX estimated total gross costs of approximately [\\$6-7 billion](#) in 2023 (\$3-3.5 billion in operating profit for RTX's 51% program

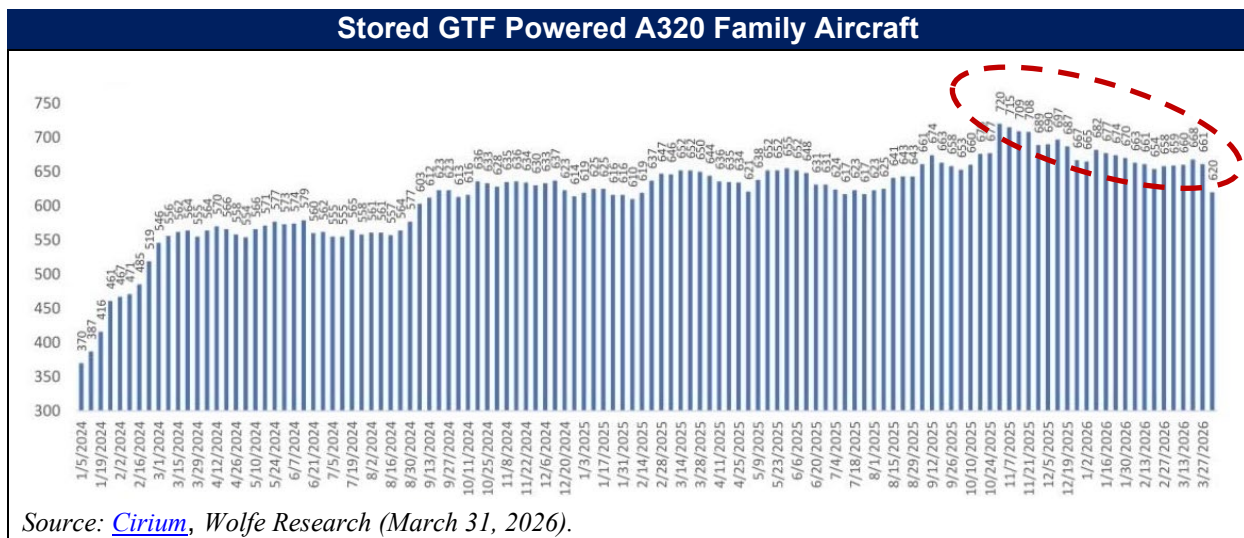
share), allocated across consortium partners based on contractual shares. MTU's share implies roughly €1 billion of cumulative cash outflows between 2024 and 2026, the majority of which has already been absorbed.

The operational impact on the GTF fleet has been significant, but it is also clearly improving. The GTF out-of-service rate peaked at approximately 35% of the installed fleet and has since declined to ~28% as of March 2026. By comparison, the LEAP engine family, which shares the same narrowbody market and carries no powder metal issue, currently operates at an out-of-service rate of approximately 3% (a figure distorted by the still young and growing installed base). Even legacy engines such as the V2500 and CFM56 run at approximately 10% out-of-service, reflecting normal heavy-maintenance cycles. The GTF gap above that legacy baseline, roughly 18 percentage points, is largely the powder metal drag now contracting.



At its peak, the GTF disruption expressed itself as a system pushed beyond capacity. Modern jet engines require maintenance on a fixed schedule. A surge of early removals due to powder metal defects hit the global maintenance network all at once, overwhelming available shop capacity and creating a queue of aircraft waiting for engines. AoG levels reached approximately 720 in October 2025, more than double RTX's original expectation of ~350 for the 2024–26 period. The issue has never been whether work would be done, but how quickly the system could absorb it.

That absorption is now well underway and continues to improve. Pratt & Whitney and its RRSP partners have [expanded throughput](#) across the network. The number of parked GTF powered A320 levels have declined to approximately 620 as of March 2026, a 14% reduction from the peak, even as the installed base continues to grow. In relative terms, the system is healing faster than the headline numbers suggest.

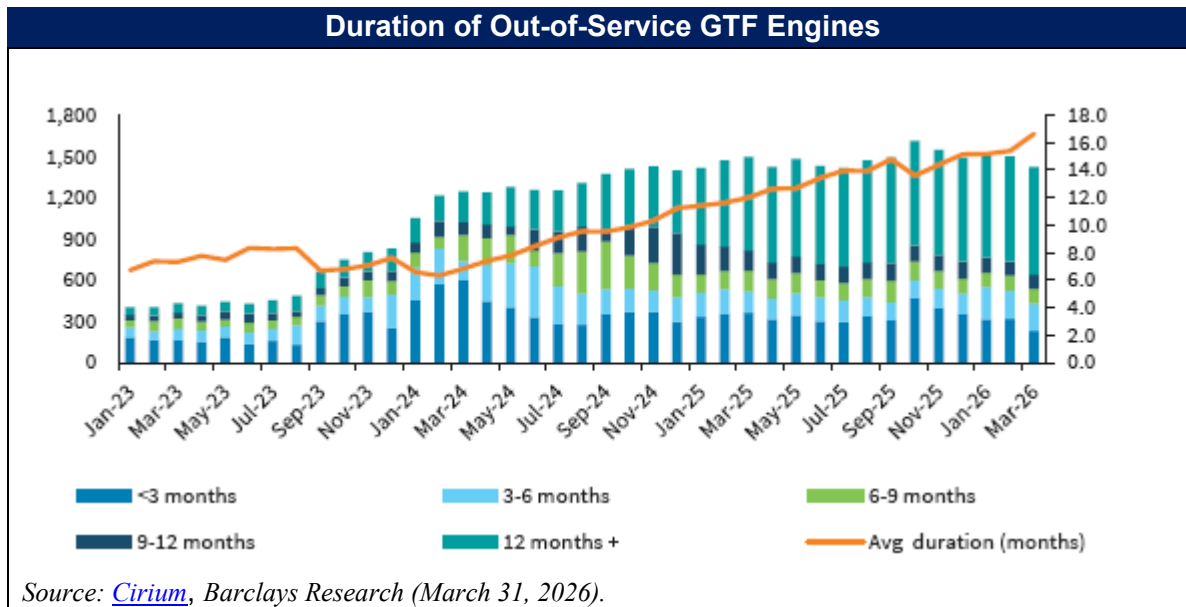


As capacity has come online, the improvement has begun to show up in operating metrics that directly tie to economics. MTU CEO Johannes Bussmann described the company as “best-in-class in the network with the shortest turnaround times,” while CFO Katja Garcia Vila highlighted that “revenue recognition accelerated in the second half of the year” as material availability improved and work scopes expanded. GTF MRO accounted for 40% of total MRO revenue in Q4 2025 and is expected to rise to 40–45% in 2026.

That same progression is visible across the broader network. [RTX](#) reported MRO output growth of 26% in 2025, with heavier shop visits up 40%, reflecting the shift toward more comprehensive overhauls that carry higher revenue per engine. Momentum accelerated into year-end, with Q4 output up 39% and turnaround times improving by 16%. Taken together, these data points show a system that is not only processing more engines but doing so more efficiently and at higher economic value per visit.

The same trend is evident in third-party data. A January 2026 UBS survey found 44% of MRO operators reporting measurable turnaround improvement, up from 31% in mid-2024 and 34% in mid-2025. The progression across surveys points to a system that is steadily increasing throughput rather than experiencing sporadic gains.

Looking more closely at the composition of the backlog helps explain why some metrics can appear counterintuitive. The remaining out-of-service pool is increasingly weighted toward longer-duration, more complex repairs. As Bussmann noted, “the further you go down the road, the work scopes get heavier.” Earlier, shorter-cycle fixes have largely cleared, leaving a higher concentration of engines requiring deeper intervention. This naturally increases the average time in shop, even as throughput improves within each cohort. In other words, what appears in the duration statistics as a lengthening crisis is in fact the predictable late-stage signature of a maintenance campaign working through its most complex cases and returning them to service.



Not All Parked Planes Are Created Equal

“With every airline you have different agreements, so not every AoG is the same cost...there is a hierarchy, the major airlines get served earlier...For [major] airlines, they have the best deal for compensation, and these airlines have the most power because they typically purchase significantly more aircraft and engines. And you have to keep these airlines happy..[MTU and RTX] cannot discuss on investor calls or in the press that they do prioritize the major airlines.”

— Former senior executive, MTU Maintenance (40 years of experience in aero engine business with a focus on MRO)

Aggregate AoG figures overstate the economic risk of the GTF disruption because the composition of the remaining backlog has shifted materially. Headline AoG levels suggest a broad-based issue across the fleet. In reality, the problem is no longer evenly distributed. A comparison of the 15 largest GTF operators today versus five months ago makes this plain. (See Appendix III for the full operator-level comparison.)

Start with the US carriers, where the remediation is effectively complete. Delta sits at 10% parking, JetBlue at 9%, United at 5%, and Frontier, which had been at 9% five months ago, now sits at just 1%. Air China, which carried a 51% parking rate five months ago, has dropped off the top 15 list. Lufthansa, previously at 16%, is gone too. These are the carriers that had the most to lose from grounded aircraft and the most leverage to demand prioritization. These airlines are no longer working through the problem. They are mostly done.

What remains at the top of the problem list is IndiGo at 64% and Spirit at 58%. Neither is a clean GTF data point. Spirit is in bankruptcy (again) and [liquidating its fleet](#) – its total engine count fell by 78 in five months. IndiGo's installed base also shrank over the same period, a

reflection of the carrier's well-documented [financial and operational stress](#) compounded by persistently difficult MRO logistics in the Indian market. Add Volaris in Mexico with 64 parked engines and these three discount carriers alone (two of which are distressed) account for roughly a quarter of all parked PW1100G engines globally. Mexico tells a broader story: Viva Air, not even in the previous top 15, has grown into it with 43% parking, adding new deliveries while nearly half its fleet sits grounded. According to the former MTU executive with decades of aero engine MRO experience, Latin America is a region where parts availability and shop capacity are systemic issues.

Europe is bifurcated along similar lines. Lufthansa has cleared the top 15 entirely and Air France and Swiss (despite an ongoing [pilot shortage](#) that negatively affects AoGs) have nudged down to 16% and 18%, respectively. But below that layer the picture is worse: ITA Airways sits at 35% and Vueling – tracking separately in the operator data – sits at 64%, among the highest rates of any carrier globally. The large network carriers have been made mostly whole; the residual problem in Europe sits with smaller operators and LCCs still waiting their turn in the MRO queue.

This operator-level breakdown reframes how investors should read both the aggregate AoG trajectory and the associated compensation risk. The improvement in parking rates has not been ad hoc – it reflects deliberate prioritization toward operators with the greatest compensation exposure. Large, healthy carriers with sizeable lost-revenue claims got to the front of the MRO queue and have largely cleared.

Moreover, compensation need not take the form of cash at all: based on our interviews with former Pratt & Whitney and MTU executives, AoG compensation is far from standardized. Settlements are frequently structured as maintenance credits, no-cost parts, or other non-cash arrangements, meaning MTU's cash flow normalization does not require the AoG count to reach zero. Both companies have reaffirmed on recent earnings calls that the resolution timeline remains on track. Investors anchoring on whether the headline AoG number hits some threshold by year-end are fixating on a misleading metric – the operators accounting for the bulk of remaining AoGs are precisely those where compensation exposure is more limited: distressed carriers, structurally challenged markets, non-cash settlement structures. This residual is real, but it is contained, and a poor basis for the kind of open-ended financial impairment the current valuation implies.

A Timing Issue, Not Structural Impairment

"I think that the engine is gonna be better going forward. The [GTF] Advantage will fix things. The early issues, despite whatever CFM is gonna be marketing, will not recur...the whole industry is counting on it for the sake of the airlines...and I think the worst of the suffering is behind them."

- Former director for Commercial Engines and Services, GE Aerospace, which manufactures the LEAP engine through CFM international (50/50 JV with Safran), commenting on the [GTF Advantage](#) upgrade

For MTU, the GTF disruption has primarily affected the timing of cash flows rather than the long-term economics of the business. Compensation payments to airlines and a surge in shop visits drove a temporary working capital build as inventory increased and engines accumulated within maintenance facilities. These dynamics compressed reported cash conversion even as the underlying earnings base continued to grow.

As a result, consensus has anchored on depressed as-reported figures, with 2027 estimates implying free cash flow conversion of roughly 66%, still below the level the business already achieves on a normalized basis today. In effect, the market is forecasting a recovery to a level MTU has already reached.

A significant, yet underappreciated, tailwind to MTU's medium-term free cash flow lies in the structural mechanics of its MRO contracts. Under Flight Hour Agreements, airlines typically fund maintenance over time through utilization-linked payments. The GTF crisis forced MTU to do an emergency sprint – years of unscheduled maintenance, compressed into 2023-2026. MTU was forced to front-load parts and labor ahead of contracted flight-hour payments. As the fleet stabilizes, that dynamic reverses. Flight activity resumes, per-hour payments accelerate, and incremental maintenance spend declines. MTU enters a period where cash collections are tied to prior-period work, creating a powerful unwind in working capital.

Management has guided for this working capital drag to unwind over time, driving free cash flow conversion back toward high double-digits by 2030. Given the scale of contract assets accumulated during 2023-2025, we believe conversion can exceed 100% as the balance sheet normalizes – a possibility supported by MTU management.

In the near term, we expect reported FCF conversion to move into the 80s in 2027 as compensation payments cease and the Fort Worth inventory build converts to revenue. This simply reflects a return to MTU's historical range. ~80% cash conversion places MTU within shouting distance of industry leaders and represents a level of performance the market has historically found more than sufficient to value shares in line with Safran.

MTU vs. Safran: FCF Conversion & Valuation – Pre-GTF Disruption (2022) vs. 2026E

	2022 Actual	2026E Normalized ⁽¹⁾
MTU FCF conversion	68%	80%
Safran FCF conversion	226%	108%
MTU forward P/E	~18x	~14x
Safran forward P/E	~18x	~25x
Safran premium to MTU	0 turns	11 turns

Source: Kerrisdale analysis. MTU forecasts per Kerrisdale, Bloomberg consensus estimates for Safran.

1. Normalized MTU FCF conversion adjusted for bounded, finite, GTF-related headwinds. See MTU FCF bridge analysis on p. 9.

The historical comparison above makes the disconnect clear. Pre-GTF disruption, in 2022, Safran had a banner year, converting over 200% of net income to free cash flow, driven by substantial working capital inflows from customer advance payments on the LEAP program. The benefit Safran enjoys in terms of payment timing did not suddenly emerge in 2022 – it is a structural benefit of their business model. MTU, by contrast, does not receive the same level of advance funding and converted cash at 68%, within its normal historical range. Despite this gap and well understood differences in working capital, both traded at the same forward P/E multiple, generally in the high teens. Prior to powder metal becoming a problem, the market never treated even extreme differences in cash conversion as grounds for valuation divergence.

Today, the situation is the complete opposite. Adjusting for dissipating GTF-related headwinds, MTU’s normalized cash conversion is ~80% versus Safran at roughly 100% – a gap of just over 20 percentage points. MTU is already converting cash at a healthy pre-crisis level and yet the stock trades at a nearly 11-turn discount. In other words, the market is now applying a double-digit P/E penalty to a difference in cash conversion that is a fraction of the gap it previously ignored entirely. As the former Airbus executive quoted at the beginning of the section framed it, “the industry has a short memory” and once noise over airline payments dies down, we suspect so will the market’s myopic fixation on modest and narrowing differences in FCF conversion.

Spare Engine "Over-Earning" Concerns are Overblown

"As the AoG starts declining, the sale of spares will slow down, and it will take probably between five to ten years to reach the 10% [of deliveries]...it won't happen overnight.

— Former senior sales executive with Airbus for over 18 years

"There is no steep drop as some people are fantasizing about, it will be a slow normalization over time."

— MTU investor relations, March 2026

Bears have framed elevated levels of spare engine sales (perhaps as high as 25% of deliveries in 2025) as a ticking time bomb: AoGs improve, spare demand collapses, and OEM margins follow. It is a narrative that is more dramatic than it is defined. A recent sell-side note devoted to the "*Spare Engines debate*" warned of normalization to the low-to-mid teens but conceded the timing could be "2026 or 2027, very hard to call." The lack of precision is not incidental. Neither Pratt & Whitney nor MTU disclose spare engine revenue or margins in a way that allows the unwind to be modeled cleanly, leaving critics to ponder risk they cannot size. Similar calls for OEM margin pressure have been made repeatedly over the past several years from concerned sell-side analysts, with MTU consistently delivering results that exceed expectations.

Management's guidance has sought to defuse this narrative at its foundation. On the most recent earnings call, CFO Katja Garcia Vila was explicit: MTU does "not expect to move back to a historic level of maybe 10% of spare and lease engines in the market" and "rather expect[s] that to remain elevated." Rather than offer a cyclical justification, her reasoning was structural and not isolated to the GTF engine. Newer engine programs operate under "much harsher conditions than engines have been operated in the past," driving sustainably higher spare intensity across the portfolio, including the GEnx and B777 alongside the GTF. In contrast to concerns over a sudden collapse in margins, for 2026 MTU guided absolute spare and lease deliveries are expected to be in line with 2025, with the ratio declining only modestly as the installed base grows. Goldman Sachs models the mix falling from roughly 20% of OEM volumes in 2024 to approximately 13% by 2029. Elevated spare engine sales is not an unknown source risk. It is a widely modeled transition with a structurally higher floor than bears assume.

More importantly, the bear case rests on a faulty premise. Spare engine demand is not a switch that flicks off as AoG levels fall. Airlines require spare engine buffers to operate reliably, and as the installed base grows, so does that requirement in absolute terms. The GTF disruption has elevated demand, but its normalization will play out over time and against a larger fleet. As the Airbus executive quoted above makes clear, the return toward historical levels is measured in years, not quarters.

And even that understates the resilience of MTU's economics. As Airbus ramps A320neo production from roughly 55 toward a target of 75 aircraft per month, it needs approximately ten

additional GTF ship sets per month from Pratt – engines Pratt would commercially prefer to direct toward the aftermarket. A spare engine sold directly to an airline commands near-catalog pricing of roughly \$30 million, while engines delivered to Airbus for new aircraft carry minimal OEM margin. Each spare placed against an active AoG also reduces Pratt's outstanding compensation liability for that grounded aircraft. As an industry expert we spoke with put it: "Not only do you get more money on the spare engine, but you're also reducing your compensation at the end of the year. So, it's a double benefit for them." This conflict has become explicit – Airbus has publicly [criticized](#) Pratt over GTF supply allocation, and as of early 2026 the two remain in active dispute over annual delivery commitments. The tension underscores the structural bias toward aftermarket allocation, the strength of which will likely persist independently of how quickly AoG counts decline.

Taken together, the math is far less dramatic than the narrative. A gradual decline in spare engine mix translates into a modest, multi-year headwind that is more than offset by growth in the installed base, rising MRO intensity, and high incremental margin spare parts demand. The scenario implied by the bear case – a sharp, near-term collapse in spare engine demand creating a meaningful earnings gap – requires a set of conditions that are neither supported by guidance nor consistent with obvious and enduring financial incentives. What is presented as a cliff is, in reality, a manageable slope.

Valuation

On any absolute measure, MTU's current valuation is difficult to justify. At 11x '27E EV/EBIT and 14x '27E P/E, MTU screens as among the cheapest in its aerospace peer group by a wide margin, trading at a substantial discount not only to Safran but to RTX Corporation (18x EV/EBIT, 27x P/E), Rolls-Royce Holdings (23x, 30x), and GE Aerospace (31x, 36x). These are all high-quality businesses with differing levels of OEM/aftermarket/defense exposure, leverage, and program mix, but none individually justify a 40%+ discount to Safran or peer group median.

Trading Comparables

	Share Price	Market Cap.			EV		EV / EBIT		P / E		FCF Yield		Rev Growth		EBIT Margin	
				Net debt			'26E	'27E	'26E	'27E	'26E	'27E	'26E	'27E	'26E	'27E
Safran	€ 310	€ 129,729	€ (1,738)	€ 128,613	21.0x	18.4x	30.9x	25.1x	3.5%	3.8%	13.4%	10.2%	17.3%	17.8%		
Rolls-Royce	GBP 1,269	£ 106,616	-£ 1,972	£ 104,644	26.0x	22.6x	35.0x	29.7x	3.4%	4.1%	13.9%	9.8%	18.0%	18.8%		
GE Aerospace	\$312	\$325,882	\$8,102	\$371,930	36.1x	31.8x	41.8x	36.3x	2.5%	2.8%	14.7%	10.3%	21.4%	22.0%		
RTX Corp	\$201	\$210,439	\$32,521	\$243,181	19.8x	18.0x	29.5x	26.7x	4.1%	4.9%	7.7%	6.7%	13.1%	13.5%		
Melrose Industries	GBP 527	£ 6,574	£ 1,737	£ 8,311	11.4x	9.7x	14.2x	11.5x	2.6%	4.1%	9.9%	8.9%	18.7%	20.2%		
StandardAero	\$27.84	\$9,261	£ 2,160	\$11,421	16.6x	14.1x	21.6x	17.9x	3.1%	4.4%	5.9%	9.6%	10.7%	11.5%		
Median						20.4x	18.2x	30.2x	25.9x	3.2%	4.1%	11.7%	9.7%	17.6%	18.3%	
MTU Aero Engines	€ 325	€ 17,673	€ 1,172	€ 18,906	12.6x	11.0x	15.6x	14.1x	3.5%	5.9%	13.6%	11.7%	15.2%	15.5%		

Source: Kerrisdale analysis. MTU forecasts per Kerrisdale, Bloomberg consensus estimates for peers.

We derive our fair value for MTU by applying Safran's forward trading multiples to our MTU estimates, reflecting the central thesis that the two businesses should once again trade at comparable valuations once GTF disruption is behind us. As shown in the table below, three methodologies converge on a consistent range. Applying Safran's '27E EV/EBIT multiple of 19x to our normalized MTU estimates implies a fair value of €558 per share, representing 72% upside. Applying Safran's '27E P/E of 25x implies €574, or 77% upside. Using a normalized free cash flow yield of 3.8% implies €503, or 55% upside. Our fair value of estimate of €545, 68% upside, represents a simple average of these methodologies.

Implied MTU Share Price at Safran Trading Multiples

	EV / '27E EBIT	'27E P/E	'27E FCF yield
Target multiple (Safran SA)	18.0x	25.0x	3.8%
Implied MTU equity value	30,359	31,234	27,365
Implied MTU fair value per share	€558	€574	€503
Premium to current	72%	77%	55%

Source: Kerrisdale analysis.

The asymmetry in the setup is worth emphasizing. The downside case requires the GTF disruption to persist well beyond current operational trends, spare engine mix to normalize abruptly rather than gradually, and MTU's historical valuation relationship with Safran to remain permanently broken – a simultaneous combination of multiple independent failures, each of which is already trending in the opposite direction. The base case requires only that reported cash flow catches up with underlying earnings power, which is already evident on a pro forma basis and should become visible in reported figures over the next several reporting periods.

Conclusion

Markets have a way of overcomplicating the obvious. A high-quality business encounters a disruption – technical, difficult to model, and uncertain in duration – and investors extrapolate the worst. The stock reprices for an outcome that assumes persistence, not resolution. Then gradually the disruption begins to clear. Not all at once, not linearly, but in a steady progression that becomes visible first in operational data and only later in reported results. By the time the final confirmation arrives, the re-rating is already underway.

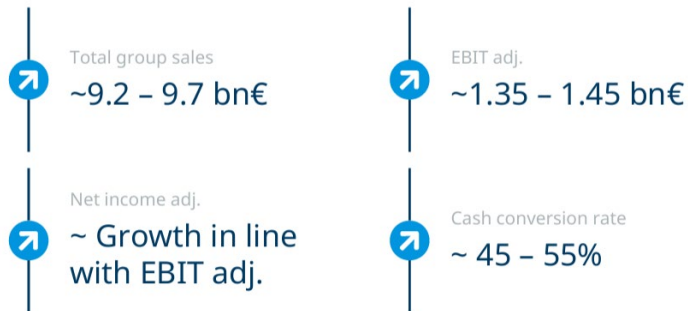
MTU sits squarely in that phase today. The powder metal issue is real and has been undeniably disruptive, but its trajectory is no longer ambiguous. The remediation plan is defined, capacity is scaling, and the operational data is already moving in the right direction. Management – with a long track record of conservatism – continues to guide to final compensation payments by year end 2026. The free cash flow recovery that will ultimately drive valuation is not speculative; it has already begun. One just has to look through passing clouds.

As reported results catch up to what is already visible in the underlying business, the basis for the current discount will fade. The resolution is not a step change, but a process that is already in motion – and one the market is unlikely to wait for in full before repricing the stock. The destination is clear; the market is simply late to board.

Appendix I

MTU 2026 Guidance

Guidance 2026 supports 2030 mid-term ambition



Guidance 2026 based on US\$/€ 1,20

Guidance 2026 – Key business driver

OEM			Commercial MRO
<p>Commercial OE</p> <ul style="list-style-type: none"> Increase in new engine deliveries, growing share of installed engines Further ramp up of GTF engine deliveries supports aircraft rate increases Production rate increase for B787 driving GENx engine deliveries EIS B777X powered by GE9X delayed to 2027 	<p>Commercial spare parts</p> <ul style="list-style-type: none"> V2500 spare parts benefit from intense utilization of A320ceo GTF spare parts volume increasing Mature engine programs remain stable 	<p>Military Business</p> <ul style="list-style-type: none"> Increase in EJ200 deliveries based on strong order momentum Increase in T408 engines expected NGFE phase 1B runs until September 2026 Slightly declining RB199 revenues 	<p>Commercial MRO</p> <ul style="list-style-type: none"> Independent MRO benefits from strong demand for mature engine programs Increasing GE90 MRO business MLS growth path continues GTF MRO revenue share expected at 40 – 45%
Com. OE US\$ revenues ~ up mid to high teens %	Com. spare parts US\$ revenues ~ up low to mid teens %	Military € revenues ~ up mid teens %	Com. MRO US\$ revenues ~ up low to mid teens %

Source: MTU [FY 2025 Investor Presentation](#).

Appendix II

MTU Adjusted EBIT Guidance Tracker

€ millions, implied EBIT adjusted midpoints

	FY Initial	1Q	2Q	3Q	FY Actual	Actual vs. Initial Guidance
2015	420	420	430	430	440	5%
2016	465	465	480	500	503	8%
2017	545	545	460	600	607	11%
2018	610	610	640	660	671	10%
2019	730	730	750	750	757	4%
2020	825	-	400	410	416	-50%
2021	440	440	450	457	468	6%
2022	585	585	585	618	655	12%
2023	763	763	800	800	818	7%
2024	903	903	962	1,000	1,050	16%
2025	1,208	1,208	1,292	1,313	1,351	12%

Source: Kerrisdale analysis, MTU annual and interim investor presentations.

Appendix III

GTF In-Service and Parked Fleet Status – March 2026

FIGURE 12. In-service and parked fleet status of the 15 largest GTF engine operators

Operator	Operator country	GTF engines in service	GTF engines parked	GTF engine installed fleet	Parking as % of installed fleet	Average fleet age
Wizz Air *	Hungary	312	78	390	20%	2.9
Delta Air Lines	USA	320	34	354	10%	3.4
JetBlue	USA	182	18	200	9%	2.9
Volaris	Mexico	122	64	186	34%	4.3
IndiGo	India	66	116	182	64%	7.3
Spirit Airlines	USA	70	98	168	58%	3.6
Frontier Airlines	USA	146	2	148	1%	1.7
Turkish Airlines	Turkey	118	28	146	19%	4.0
Sichuan Airlines	China	76	56	132	42%	4.9
United Airlines	USA	126	6	132	5%	1.1
Viva Air	Mexico	72	54	126	43%	4.8
SWISS	Switzerland	98	22	120	18%	6.1
ITA Airways	Italy	74	40	114	35%	2.1
Air France	France	92	18	110	16%	2.4
Breeze Airways	USA	94	14	108	13%	2.5

* Includes Wizz Air Malta, Wizz Air UK and Wizz Air Abu Dhabi fleet

Source: Cirium, Barclays Research

Source: Cirium, Barclays Research, NB Fleet Availability Trends: GTF vs. LEAP engine, March 31, 2026.

GTF In-Service and Parked Fleet Status – October 2025

Operator and Regional View

FIGURE 12. In-service and parked fleet status of the 15 largest GTF engine operators

Operator	Operator country	GTF engines in service	GTF engines parked	GTF engine installed fleet	Parking as % of installed fleet	Average fleet age
Wizz Air *	Hungary	266	80	346	23%	2.7
Delta Air Lines	USA	294	34	328	10%	3.1
Spirit Airlines	USA	154	92	246	37%	3.5
IndiGo	India	90	124	214	58%	6.8
JetBlue	USA	160	26	186	14%	2.6
Volaris	Mexico	108	72	180	40%	4.1
Sichuan Airlines	China	74	54	128	42%	4.6
Turkish Airlines	Turkey	100	26	126	21%	4.0
Frontier Airlines	USA	104	10	114	9%	1.6
Air China	China	52	54	106	51%	5.6
ITA Airways	Italy	68	36	104	35%	1.7
Swiss	Switzerland	76	24	100	24%	6.0
Lufthansa	Germany	82	16	98	16%	5.9
United Airlines	USA	94	2	96	2%	0.9
Air France	France	70	24	94	26%	2.3

* Includes Wizz Air Malta, Wizz Air UK and Wizz Air Abu Dhabi fleet
Source: Cirium, Barclays Research

Source: Cirium, Barclays Research, NB Fleet Availability Trends: GTF vs. LEAP engine, October 7, 2025.

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