

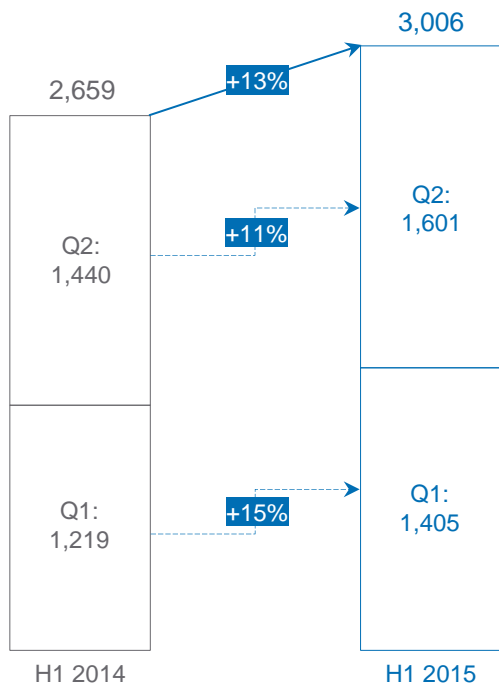


ANDRITZ GROUP: results for H1 2015

August 7, 2015

Group sales: strong increase, mainly driven by PULP & PAPER and METALS

Sales H1 2015 vs. H1 2014 (MEUR):



Sales by business area (MEUR)

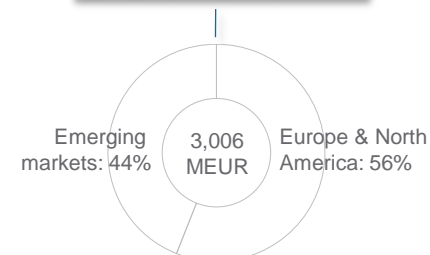
	H1 2015	H1 2014	+/-	Q2 2015	Q2 2014	+/-
HYDRO	866	806	+8%	458	443	+4%
PULP & PAPER	1,044	869	+20%	563	470	+20%
METALS	796	722	+10%	419	390	+8%
SEPARATION	299	262	+14%	161	138	+16%

Sales by region (%)

	H1 2015	H1 2014
Europe	37	41
North America	19	16
South America	15	15
China	13	14
Asia (ex China)	12	10
Others*	4	4

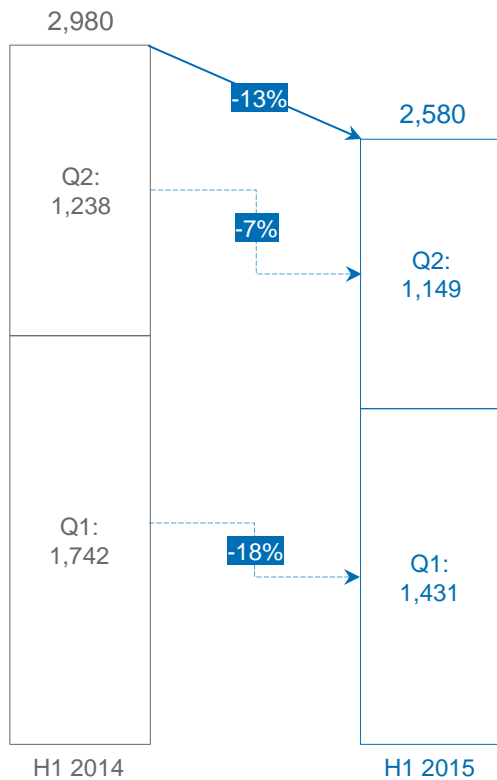
* Africa and Australia

Well-balanced geographical exposure



Group order intake: below the high level of H1 2014, mainly due to PULP & PAPER and METALS

Order intake H1 2015 vs. H1 2014 (MEUR):



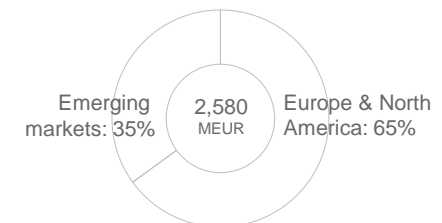
Order intake by business area (MEUR)

	H1 2015	H1 2014	+/-	Q2 2015	Q2 2014	+/-
HYDRO	795	815	-3%	348	291	+19%
PULP & PAPER	909	1,057	-14%	447	402	+11%
METALS	595	798	-25%	211	378	-44%
SEPARATION	281	310	-10%	145	166	-13%

Order intake by region (%)

	H1 2015	H1 2014
Europe	44	37
North America	21	17
Asia (ex China)	12	10
China	11	11
South America	10	19
Others*	2	6

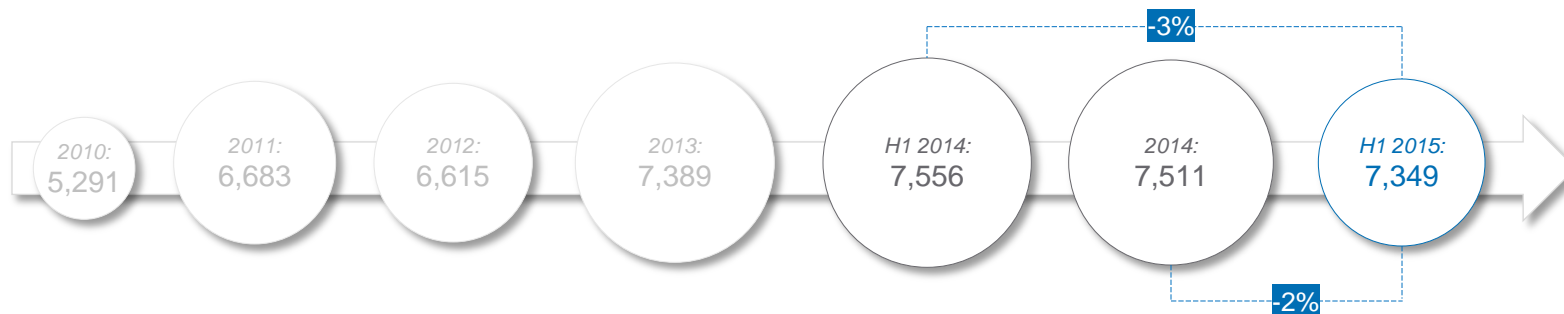
* Africa and Australia



Order backlog

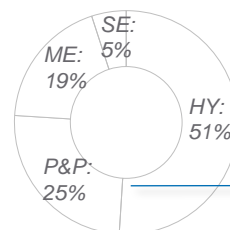
Solid workload in all business areas

Order backlog (as of end of period in MEUR)



Order backlog by business area (as of end of period in MEUR)

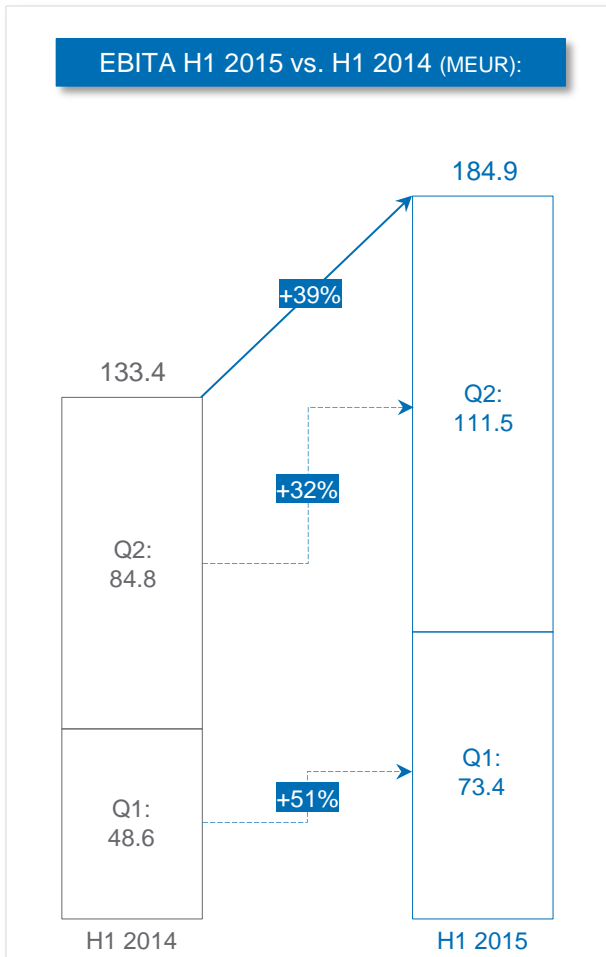
	H1 2015	H1 2014	+/-
HYDRO	3,750	3,629	+3%
PULP & PAPER	1,809	2,028	-11%
METALS	1,417	1,497	-5%
SEPARATION	373	402	-7%



HYDRO and PULP & PAPER account for ~76% of total backlog

Earnings and profitability

Significant improvement in Q2, especially in PULP & PAPER

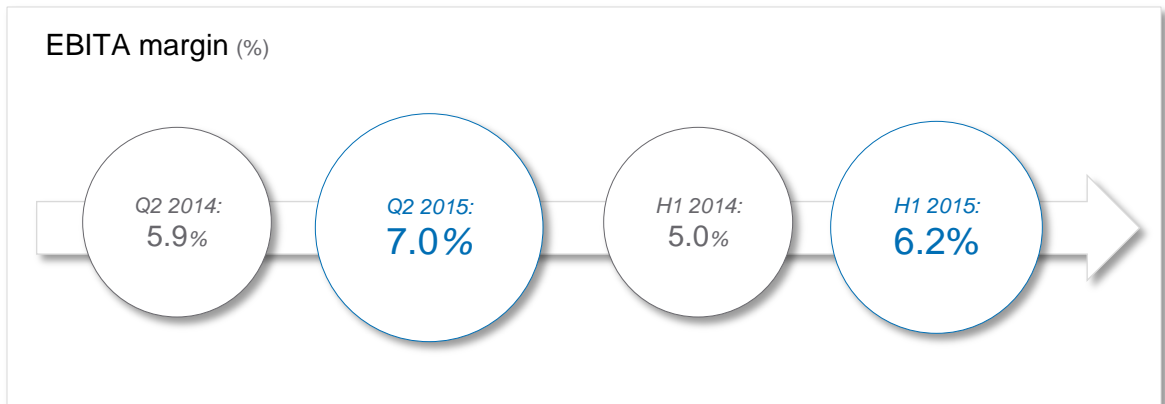


Q2 2015:

EBITA and margin showed strong increase compared to last year's reference period; very good development in PULP & PAPER and HYDRO; SEPARATION still below targets

H1 2015:

EBITA and margin significantly up compared to low level of last year's reference period, which is mainly due to the positive development in PULP & PAPER and METALS; earnings impact from temporary exchange rate differences from negative market values from project-related currency hedges amounted to approx. 11 MEUR



Key figures Q2/H1 2015 at a glance

	Unit	H1 2015	H1 2014	+/-	Q2 2015	Q2 2014	+/-	2014
Order intake	MEUR	2,580.0	2,980.2	-13.4%	1,149.4	1,238.0	-7.2%	6,101.0
Order backlog (as of end of period)	MEUR	7,349.0	7,555.7	-2.7%	7,349.0	7,555.7	-2.7%	7,510.6
Sales	MEUR	3,005.6	2,659.4	+13.0%	1,601.3	1,439.9	+11.2%	5,859.3
EBITDA	MEUR	230.9	175.7	+31.4%	134.8	106.2	+26.9%	472.0
EBITA	MEUR	184.9	133.4	+38.6%	111.5	84.8	+31.5%	379.5
EBIT	MEUR	159.6	94.4	+69.1%	98.1	65.4	+50.0%	295.7
EBT	MEUR	166.4	92.7	+79.5%	103.8	65.2	+59.2%	299.4
Financial result	MEUR	6.7	-1.7	+494.1%	5.6	-0.3	+1,966.7%	3.7
Net income <small>(including non-controlling interests)</small>	MEUR	115.9	64.9	+78.6%	72.1	45.6	+58.1%	210.0
Cash flow from operating activities	MEUR	-7.8	49.0	-115.9%	-45.0	-12.0	-275.0%	342.1
Capital expenditure	MEUR	36.3	34.4	+5.5%	15.5	17.2	-9.9%	106.5
Equity ratio	%	18.5	16.9	-	18.5	16.9	-	17.0
Liquidity	MEUR	1,363.5	1,497.7	-9.0%	1,363.5	1,497.7	-9.0%	1,701.6
Net liquidity (after deduction of all financial liabilities)	MEUR	901.3	868.8	+3.7%	901.3	868.8	+3.7%	1,065.1
Net working capital	MEUR	-436.4	-511.9	+14.7%	-436.4	-511.9	+14.7%	-570.9
EBITDA margin	%	7.7	6.6	-	8.4	7.4	-	8.1
EBITA margin	%	6.2	5.0	-	7.0	5.9	-	6.5
EBIT margin	%	5.3	3.5	-	6.1	4.5	-	5.0
Employees (as of end of period; without apprentices)	-	24,992	24,126	+3.6%	24,992	24,126	+3.6%	24,853

Higher net liquidity and one-time effect on interest in connection with the settlement payment received from MdP

Unchanged solid net liquidity

Increase due to lower customer advances and payments to sub-suppliers

HYDRO (1)

Unchanged subdued project and investment activity

Modernizations/rehabilitations

Due to unchanged low electricity and energy prices, many modernization/ refurbishment projects postponed

New hydropower plants

Some new projects in the planning phase; however, these projects are expected to be awarded only in the medium term

Pumps and small-scale hydropower

Satisfactory project activity



▲ Francis turbine for the Guri II hydropower plant, Venezuela (diameter: 7.4 meters; weight: 200 tons)

HYDRO (2)

Satisfactory business development

Satisfactory development of order intake in face of an unchanged difficult market environment

	Unit	H1 2015	H1 2014	+/-	Q2 2015	Q2 2014	+/-	2014
Order intake	MEUR	794.7	814.7	-2.5%	347.7	291.4	+19.3%	1,816.7
Order backlog (as of end of period)	MEUR	3,750.1	3,628.6	+3.3%	3,750.1	3,628.6	+3.3%	3,708.6
Sales	MEUR	866.3	805.5	+7.5%	458.4	442.7	+3.5%	1,752.3
EBITDA	MEUR	73.8	71.8	+2.8%	45.8	40.2	+13.9%	177.2
EBITDA margin	%	8.5	8.9	-	10.0	9.1	-	10.1
EBITA	MEUR	58.0	56.8	+2.1%	38.1	32.4	+17.6%	144.8
EBITA margin	%	6.7	7.1	-	8.3	7.3	-	8.3
Employees (as of end of period; without apprentices)	-	8,588	7,673	+11.9%	8,588	7,673	+11.9%	8,339

Sales in Q2 2015 slightly up compared to Q2 2014

Satisfactory development of earnings and margin

PULP & PAPER (1)

Good project and investment activity

Modernizations/greenfield

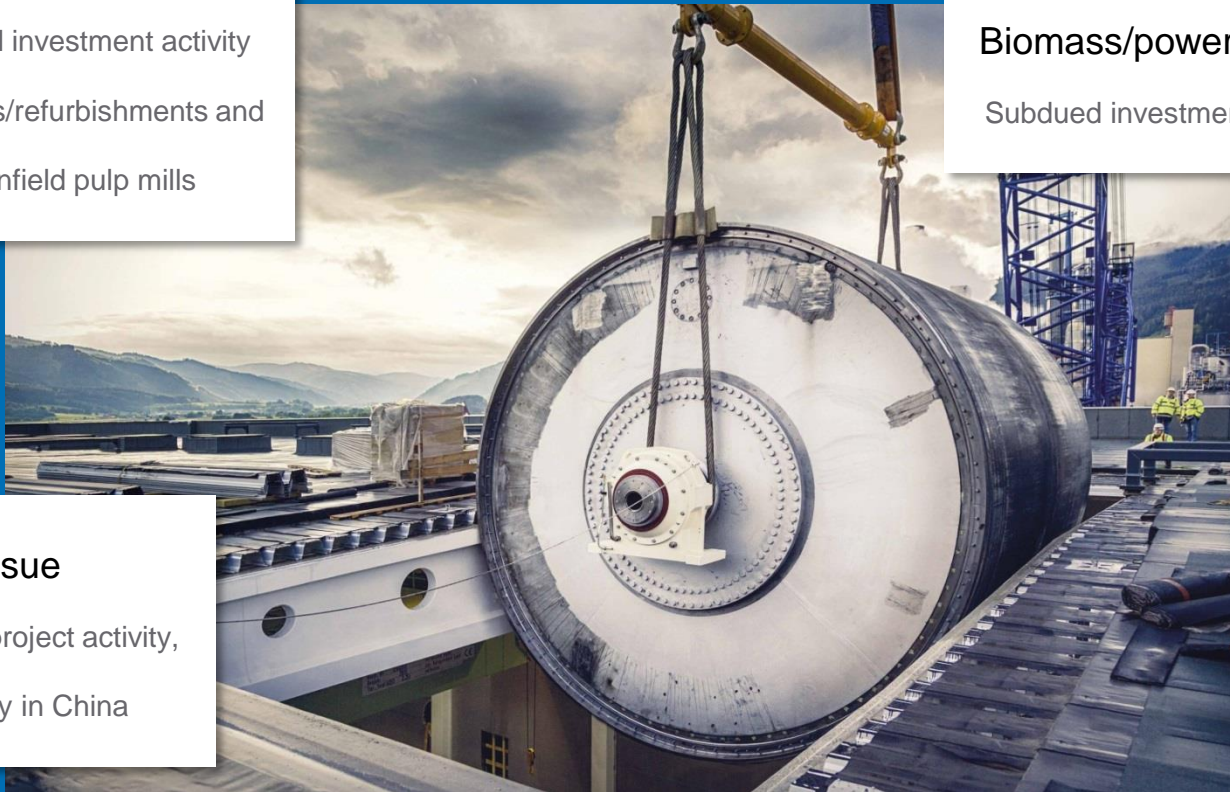
Good project and investment activity
for modernizations/refurbishments and
for new greenfield pulp mills

Biomass/power boilers

Subdued investment activity

Tissue

Acceptable project activity,
especially in China



▲ ANDRITZ drying cylinder for the Zellstoff Pöls paper machine, Austria (diameter: 6.7 meters; weight: 150 tons)

PULP & PAPER (2)

Significant improvement in earnings and profitability

Order intake in Q2 2015 up (includes 100 MEUR order from Metsä Fibre) compared to Q2 2014; order intake in H1 2015 at satisfactory level

Strong project-related increase in sales

Earnings and margin improved significantly compared to Q2 2014

	Unit	H1 2015	H1 2014	+/-	Q2 2015	Q2 2014	+/-	2014
Order intake	MEUR	908.9	1,057.2	-14.0%	446.5	402.4	+11.0%	1,995.7
Order backlog (as of end of period)	MEUR	1,809.0	2,027.9	-10.8%	1,809.0	2,027.9	-10.8%	1,875.4
Sales	MEUR	1,043.9	869.3	+20.1%	563.4	469.7	+19.9%	1,969.3
EBITDA	MEUR	81.7	49.8	+64.1%	48.1	33.5	+43.6%	127.6
EBITDA margin	%	7.8	5.7	-	8.5	7.1	-	6.5
EBITA	MEUR	69.9	37.8	+84.9%	42.1	27.4	+53.6%	102.9
EBITA margin	%	6.7	4.3	-	7.5	5.8	-	5.2
Employees (as of end of period; without apprentices)	-	7,277	7,392	-1.6%	7,277	7,392	-1.6%	7,236

METALS (1): solid project activity in metalforming – however, no large order awards

Metalforming

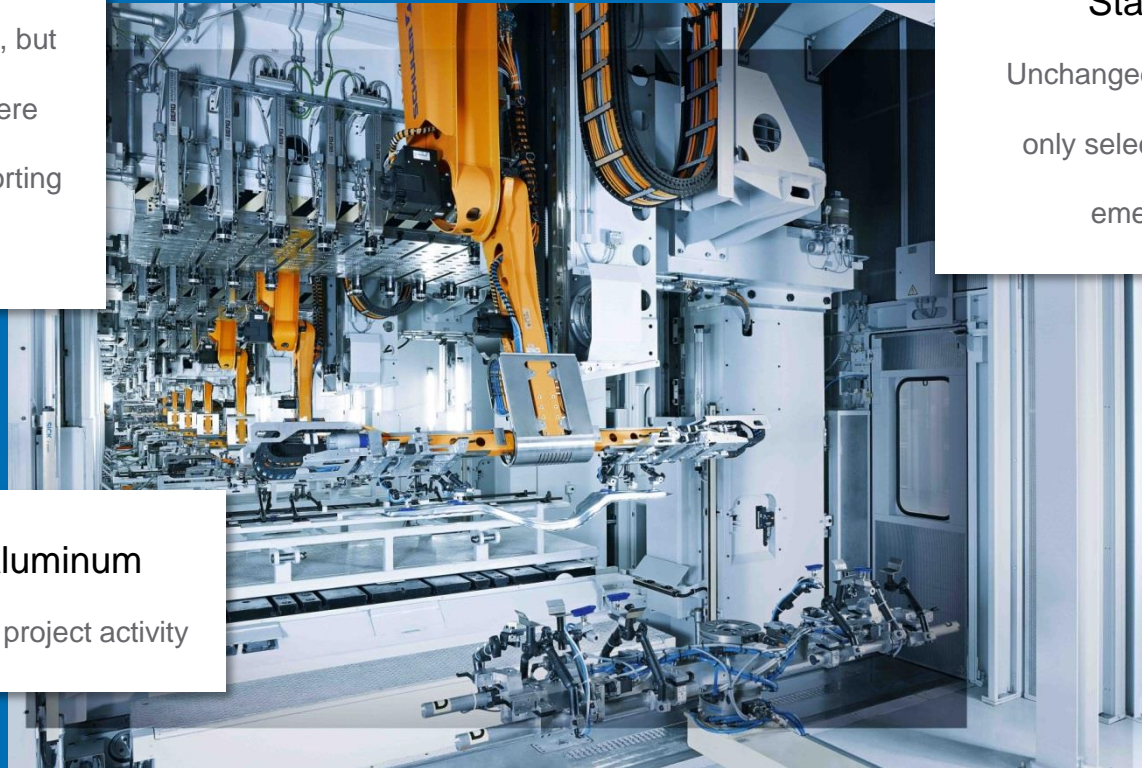
Solid project activity, but no larger orders were awarded during reporting period

Stainless steel

Unchanged low project activity, only selective investments in emerging markets

Aluminum

Solid project activity



▲ The Schuler crossbar feeder ensures safe and rapid transport of components from die to die.

METALS (2)

Solid business development

Significant decline in Q2 2015; award of some larger projects in the metal forming sector postponed to H2 2015

Sales favorably up

Solid development of earnings and margin

	Unit	H1 2015	H1 2014	+/-	Q2 2015	Q2 2014	+/-	2014
Order intake	MEUR	595.4	797.9	-25.4%	210.5	377.8	-44.3%	1,692.8
Order backlog (as of end of period)	MEUR	1,417.4	1,497.4	-5.3%	1,417.4	1,497.4	-5.3%	1,566.1
Sales	MEUR	796.1	722.3	+10.2%	419.0	389.5	+7.6%	1,550.4
EBITDA	MEUR	60.4	50.2	+20.3%	32.2	31.1	+3.5%	134.0
EBITDA margin	%	7.6	7.0	-	7.7	8.0	-	8.6
EBITA	MEUR	47.2	38.7	+22.0%	25.4	25.4	0.0%	110.2
EBITA margin	%	5.9	5.4	-	6.1	6.5	-	7.1
Employees (as of end of period; without apprentices)	-	6,317	6,239	+1.3%	6,317	6,239	+1.3%	6,432

SEPARATION (1)

Mixed market development

Environment and food

Solid investment activity

Feed and biomass

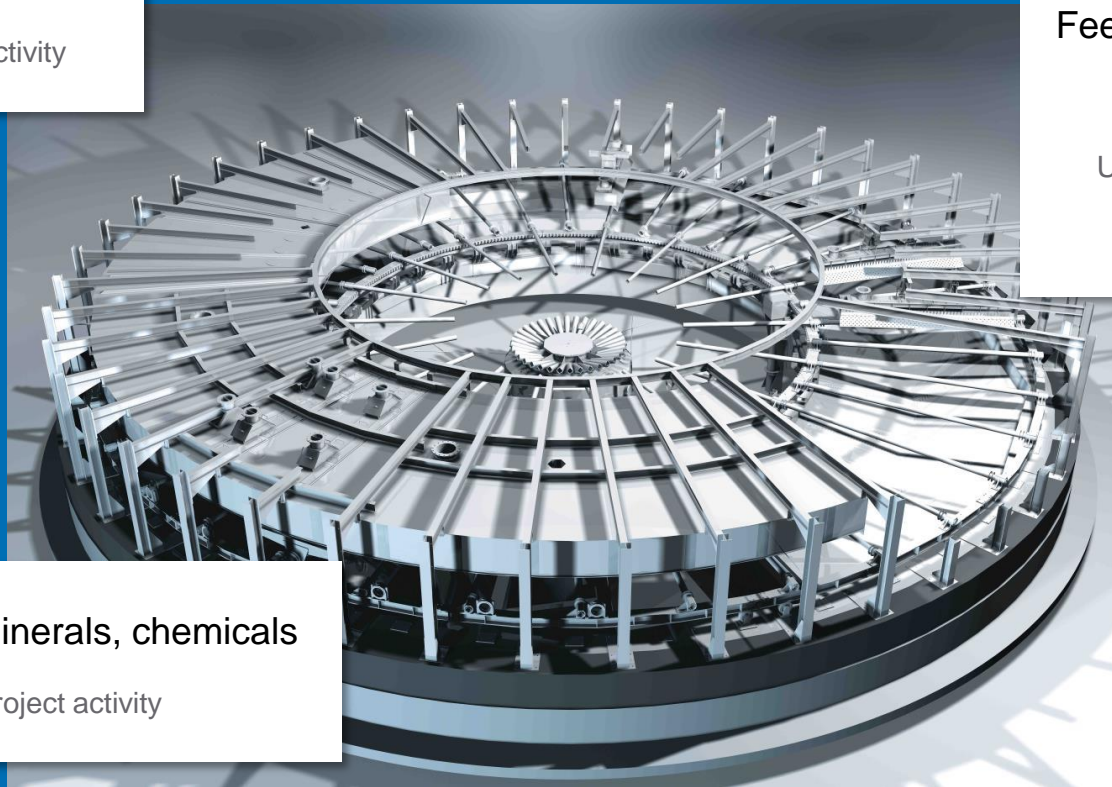
pelleting

Unchanged good

project activity

Mining and minerals, chemicals

Low project activity



▲ ANDRITZ tilting pan filter (filter area: 230 square meters; weight: 150 tons)

SEPARATION (2)

Sales and profitability improved, however below targets

Decline of order intake due to continued challenging market environment in most segments

Sales significantly up compared to low level in Q2 2014

Earnings and margin up, however still at unsatisfactory levels

	Unit	H1 2015	H1 2014	+/-	Q2 2015	Q2 2014	+/-	2014
Order intake	MEUR	281.0	310.4	-9.5%	144.7	166.4	-13.0%	595.8
Order backlog (as of end of period)	MEUR	372.5	401.8	-7.3%	372.5	401.8	-7.3%	360.5
Sales	MEUR	299.3	262.4	+14.1%	160.5	138.1	+16.2%	587.3
EBITDA	MEUR	15.0	4.0	+275.0%	8.7	1.5	+480.0%	33.2
EBITDA margin	%	5.0	1.5	-	5.4	1.1	-	5.7
EBITA	MEUR	9.8	0.1	+9,700.0%	5.9	-0.4	+1,575.0%	21.6
EBITA margin	%	3.3	0.0	-	3.7	-0.3	-	3.7
Employees (as of end of period; without apprentices)	-	2,810	2,821	-0.4%	2,810	2,821	-0.4%	2,846

Outlook for remainder of 2015

Sales and earnings improvement targeted

HYDRO

Project activity for modernizations and new hydropower stations to continue at current subdued level; satisfactory market activity for pumps to continue

stable -

PULP & PAPER

Good project activity for modernizations and capacity increases expected; solid pipeline for greenfield pulp mill projects

stable +/-

METALS

Global metalforming market at solid level, however some projects postponed or cancelled; steel at unchanged subdued level

stable -

SEPARATION

Low project activity in mining to remain; solid project activity in chemicals; good investment activity in environment, food, and feed/biomass pelleting

stable +/-

ANDRITZ GROUP 2015:
Sales and earnings
expected to increase
compared to 2014

Project and investment activity in some end markets significantly down and increasingly volatile
→ continuation of structural measures to adjust value chain to these market changes