

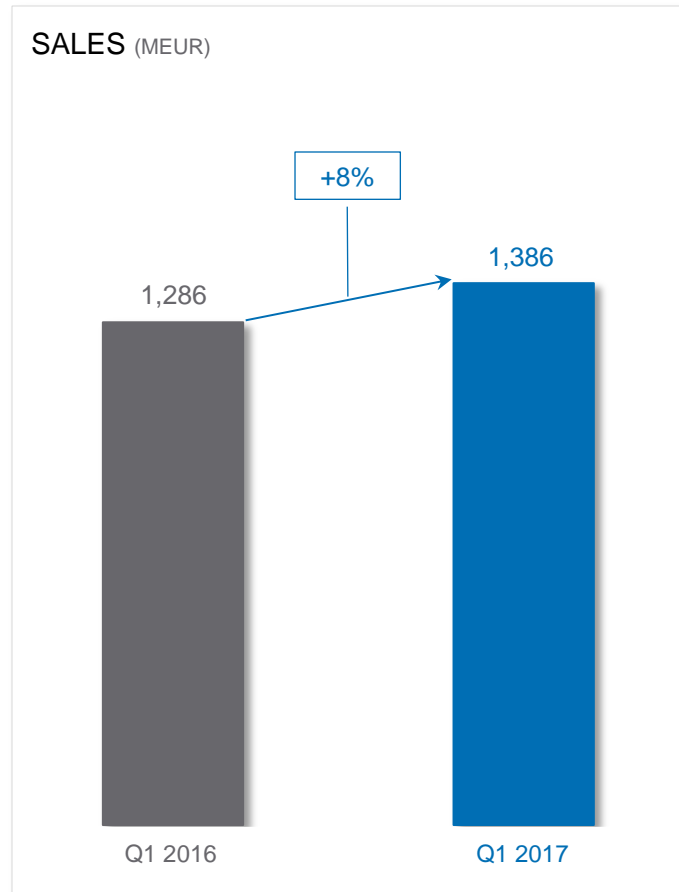


ANDRITZ GROUP: results for Q1 2017

May 4, 2017

Group sales

Increase mainly due to PULP & PAPER and METALS



SALES by business area (MEUR)

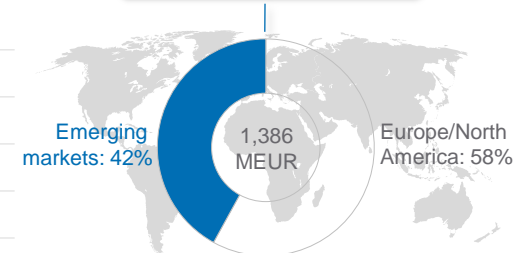
	Q1 2017	Q1 2016	+/-
HYDRO	356	368	-3%
PULP & PAPER	509	458	+11%
METALS	398	333	+19%
SEPARATION	124	127	-2%

+7% excl. Yadon and AWEBA

SALES by region (%)

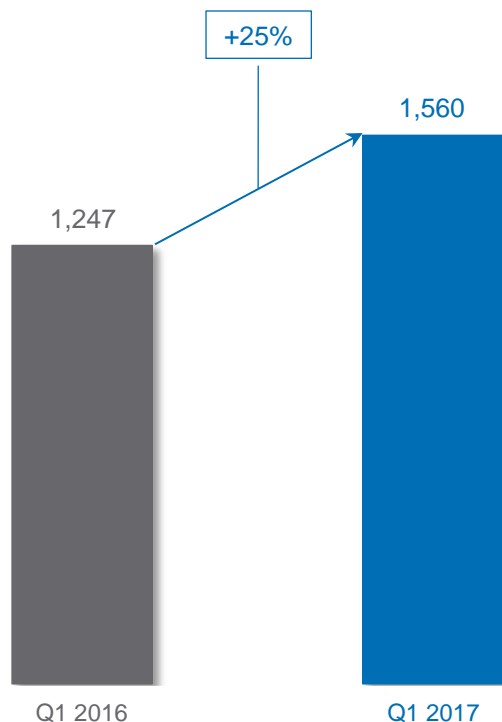
	Q1 2017	Q1 2016
Europe	37	37
North America	21	22
China	14	10
Asia (without China)	12	12
South America	12	14
Africa, Australia	4	5

Well-balanced geographical exposure



Group order intake: favorable development, especially in PULP & PAPER and METALS

ORDER INTAKE (MEUR)



ORDER INTAKE by business area (MEUR)

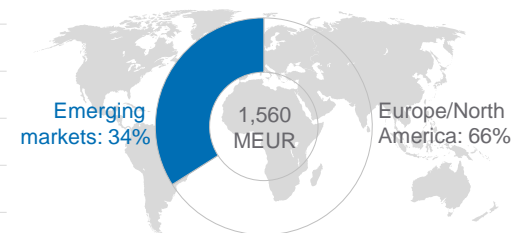
	Q1 2017	Q1 2016	+/-
HYDRO	310	252	+23%
PULP & PAPER	653	546	+20%
METALS	443	299	+48%
SEPARATION	154	151	+3%

+30% excl. Yadon and AWEBA

ORDER INTAKE by region (%)

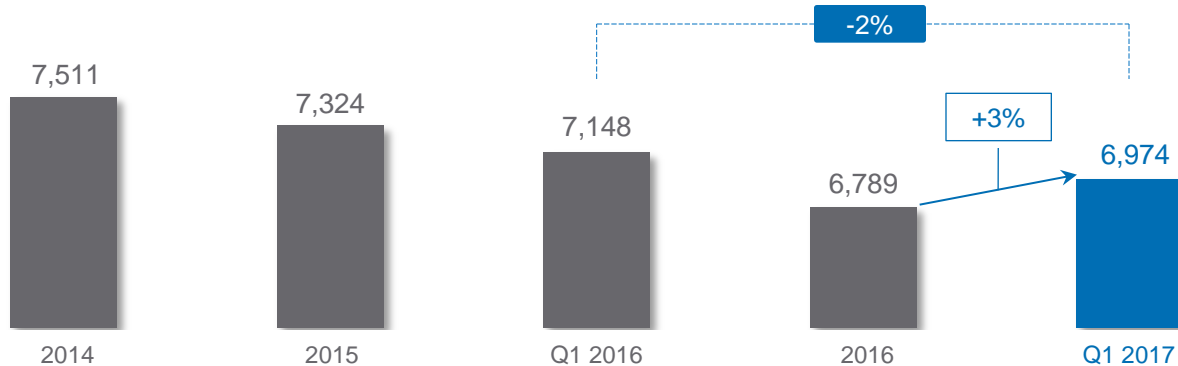
	Q1 2017	Q1 2016
Europe	42	39
North America	24	21
China	14	21
Asia (without China)	10	9
South America	5	7
Africa, Australia	5	3

Geographical exposure



Group order backlog remains at solid level

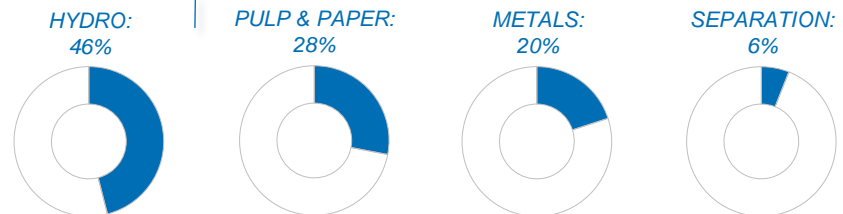
Order backlog (as of end of period in MEUR)



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

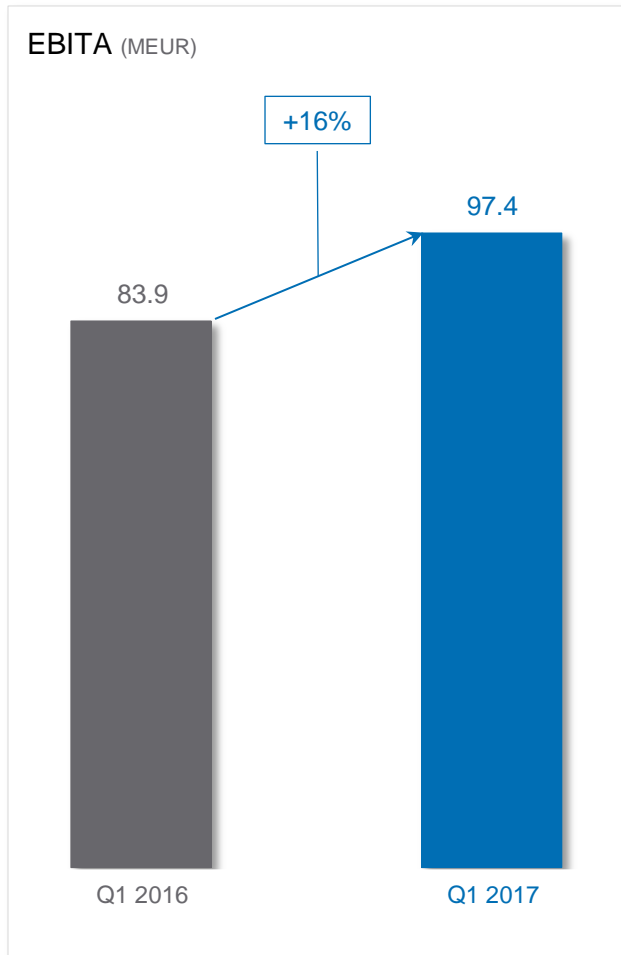
	Q1 2017	Q1 2016	+/-
HYDRO	3,184	3,441	-7%
PULP & PAPER	1,979	2,045	-3%
METALS	1,424	1,291	+10%
SEPARATION	387	371	+4%

HYDRO and PULP & PAPER account for 74% of total backlog

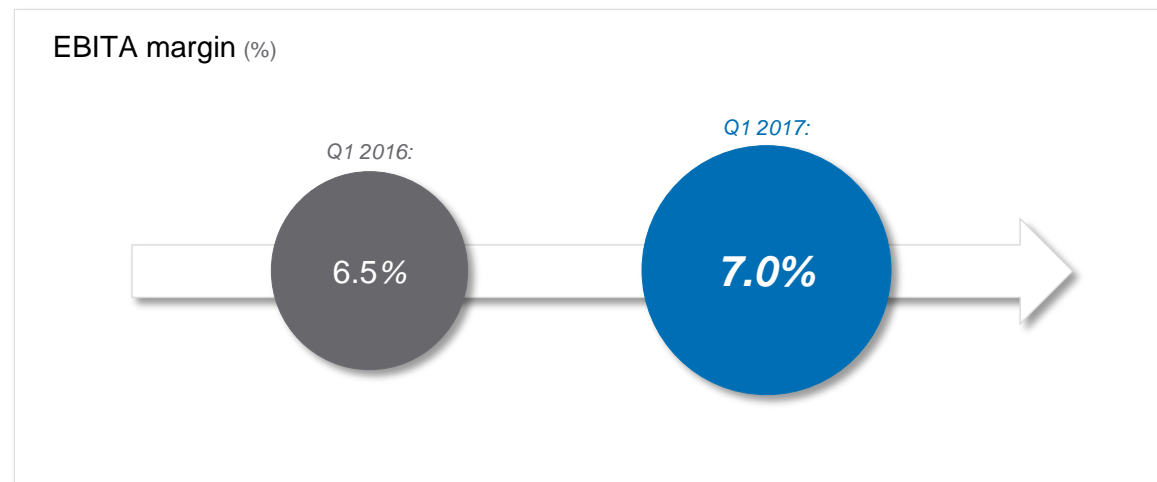


Earnings and profitability: favorable development

due to PULP & PAPER, METALS, and SEPARATION



- EBITA, at 97.4 MEUR, increased by 16.1% versus Q1 2016 (83.9 MEUR), thus growing stronger than sales.
- As a consequence, GROUP profitability increased to 7.0% (Q1 2016: 6.5%).
- While profitability increased in PULP & PAPER, METALS and SEPARATION, it decreased slightly in HYDRO, mainly due to lower sales.



Key figures Q1 2017 at a glance

	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	1,560.0	1,247.4	+25.1%	5,568.8
Order backlog (as of end of period)	MEUR	6,974.2	7,147.6	-2.4%	6,789.2
Sales	MEUR	1,386.2	1,285.6	+7.8%	6,039.0
EBITDA	MEUR	120.7	106.7	+13.1%	542.4
EBITA	MEUR	97.4	83.9	+16.1%	442.1
EBIT	MEUR	86.9	74.2	+17.1%	385.8
EBT	MEUR	90.3	74.9	+20.6%	398.4
Financial result	MEUR	3.4	0.7	+385.7%	12.6
Net income (including non-controlling interests)	MEUR	63.1	52.6	+20.0%	274.8
Cash flow from operating activities	MEUR	147.7	167.5	-11.8%	366.6
Capital expenditure	MEUR	29.0	16.5	+75.8%	119.5
Equity ratio	%	20.1	19.2	-	21.7
Liquid funds	MEUR	1,613.0	1,574.7	+2.4%	1,507.1
Net liquidity	MEUR	1,061.0	1,107.0	-4.2%	945.3
Net working capital	MEUR	-254.1	-401.2	+36.7%	-215.8
EBITDA margin	%	8.7	8.3	-	9.0
EBITA margin	%	7.0	6.5	-	7.3
EBIT margin	%	6.3	5.8	-	6.4
Employees (as of end of period; without apprentices)	-	25,247	24,195	+4.3%	25,162

Increase mainly relates to investments at ANDRITZ headquarters in Graz and new office building at Schuler in Göppingen

Increase due to Yadon (1,017) and AWEBA (595)

HYDRO (1)

Investment and project activity remained at a subdued level

Modernizations/rehabilitations

Unchanged, difficult market conditions impacted by low electricity and energy prices, mostly in Europe

New hydropower plants

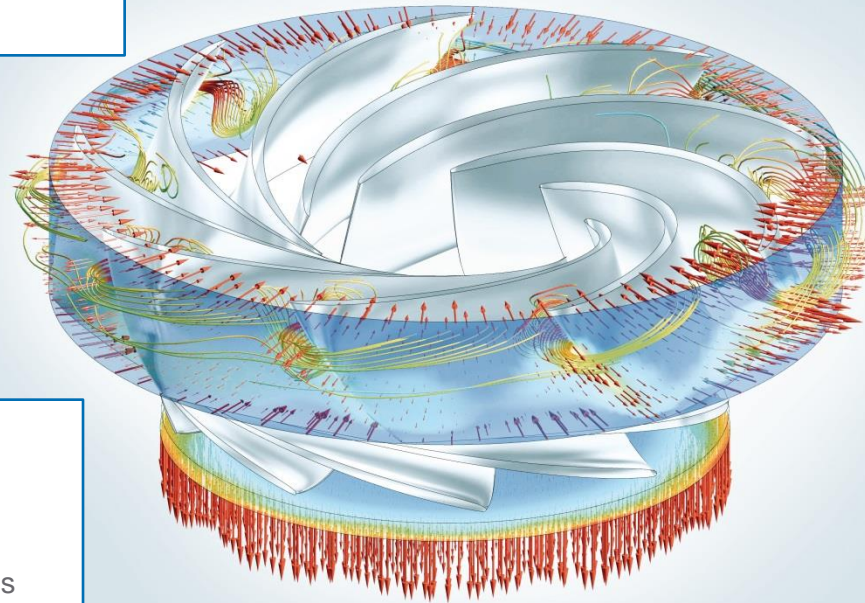
Some new projects in emerging markets, particularly in Asia, Africa and South America are currently in the planning phase

Competition

No change of competitive behaviour and market conditions

Pumps

Satisfactory project activity



▲ *Simulation of a Francis turbine.*

HYDRO (2)

Order intake up from very low level, earnings and EBITA slightly down

In a continuing difficult market environment, order intake increased compared to the very low figure of Q1 2016



	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	309.5	252.0	+22.8%	1,500.3
Order backlog (as of end of period)	MEUR	3,184.3	3,440.6	-7.4%	3,269.6
Sales	MEUR	355.9	367.9	-3.3%	1,752.4
EBITDA	MEUR	29.1	31.5	-7.6%	167.2
EBITDA margin	%	8.2	8.6	-	9.5
EBITA	MEUR	22.1	23.7	-6.8%	127.6
EBITA margin	%	6.2	6.4	-	7.3
Employees (as of end of period; without apprentices)	-	7,270	7,786	-6.6%	7,260

Decline in profitability, mainly due to lower sales

ORDER INTAKE by region Q1 2017 vs. Q1 2016 (%)



SALES by region Q1 2017 vs. Q1 2016 (%)



PULP & PAPER (1)

Unchanged solid market conditions

Pulp

Solid project and investment activity, particularly for modernization of existing pulp mills. No order awards for new pulp mills in Q1 2017.

Paper

Satisfactory market development for tissue and packaging continued.

Competition

Stable competitive environment



▲ Fibria's Horizonte 1 mill in Três Lagoas, Brazil, at night. For Fibria's Horizonte 2 pulp mill, ANDRITZ is to supply the complete fiberline as well as the recovery island, including all relevant process steps.

PULP & PAPER (2)

Favorable business development



	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	653.3	545.6	+19.7%	1,919.5
Order backlog (as of end of period)	MEUR	1,979.4	2,044.8	-3.2%	1,803.3
Sales	MEUR	508.7	457.6	+11.2%	2,094.4
EBITDA	MEUR	52.6	46.4	+13.4%	207.7
EBITDA margin	%	10.3	10.1	-	9.9
EBITA	MEUR	46.3	40.2	+15.2%	182.2
EBITA margin	%	9.1	8.8	-	8.7
Employees (as of end of period; without apprentices)	-	7,672	7,516	+2.1%	7,522

Satisfactory development of order intake of capital and service business

Sales significantly up

Increase in profitability due to improvement in capital business

ORDER INTAKE by region Q1 2017 vs. Q1 2016 (%)



SALES by region Q1 2017 vs. Q1 2016 (%)



METALS (1): Satisfactory metal forming market

Slight recovery of metal processing market from very low level

Metal forming

Some orders placed by international automotive suppliers; solid project activity in the market (automotive suppliers) served by Yadon

Competition

Stable competition at challenging level

Carbon steel / Stainless steel

Project activity recovered somewhat from the very low levels of the past years



▲ Daimler has commissioned two laser blanking lines from Schuler at its pressing plant in Kuppenheim, Germany.

METALS (2)

Solid business development

Order intake up in both the metal forming sector (Schuler) and the metal processing sector. Excluding Yadon and AWEBA, order intake increased by 30%

Strong increase in sales

Earnings and profitability above the level of Q1 2016, mainly due to improvement in the metal processing sector

	ANDRITZ Metals	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake		MEUR	442.7	299.3	+47.9%	1,551.5
Order backlog (as of end of period)		MEUR	1,423.6	1,291.3	+10.2%	1,369.0
Sales		MEUR	397.5	333.0	+19.4%	1,598.4
EBITDA		MEUR	31.0	23.9	+29.7%	141.7
EBITDA margin		%	7.8	7.2	-	8.9
EBITA		MEUR	23.2	17.3	+34.1%	115.2
EBITA margin		%	5.8	5.2	-	7.2
Employees (as of end of period; without apprentices)		-	7,517	6,158	+22.1%	7,608

ORDER INTAKE by region Q1 2017 vs. Q1 2016 (%)



SALES by region Q1 2017 vs. Q1 2016 (%)



SEPARATION (1)

Investment and project activity remained unchanged

Municipal

Investment activity at satisfactory levels, mainly in developed markets

Feed and biomass pelleting

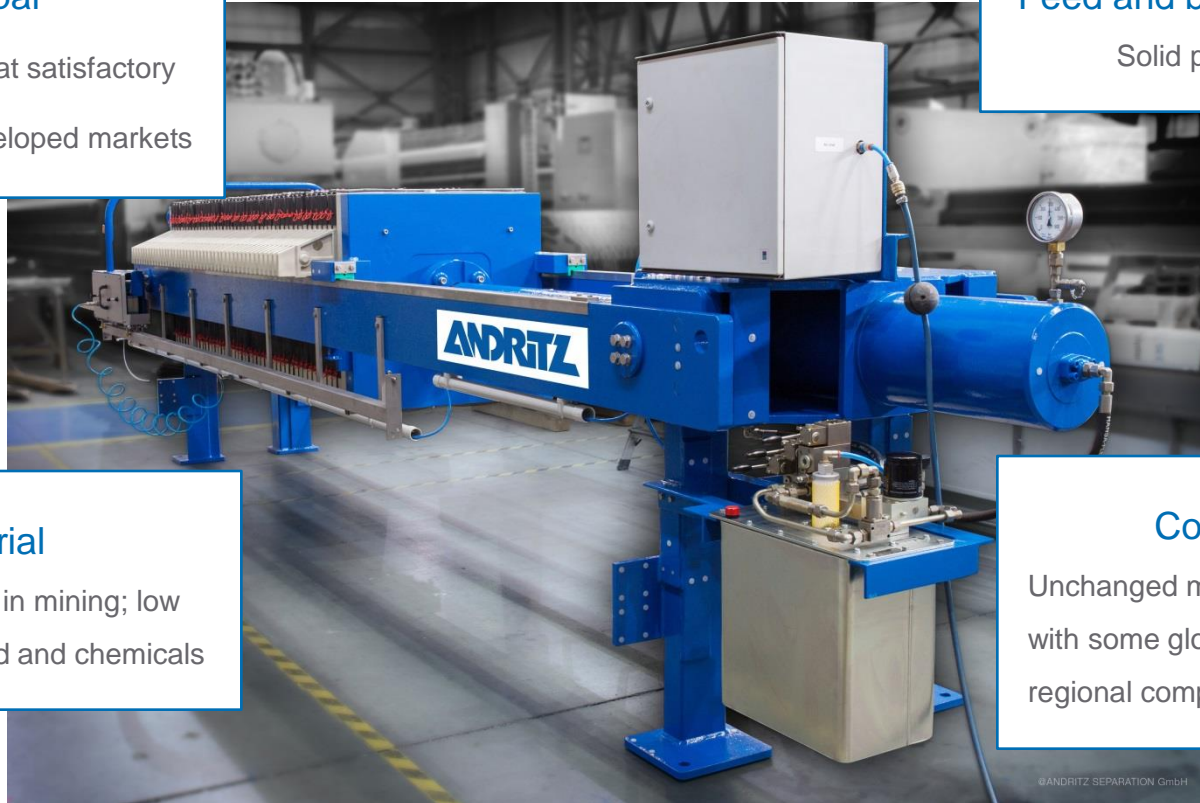
Solid project activity

Industrial

Satisfactory demand in mining; low project activity in food and chemicals

Competition

Unchanged market environment with some global and many regional competitors



▲ ANDRITZ has developed a new, innovative, product series of filter presses. The SP series is a so-called “air-over-oil” filter press driven exclusively by compressed air.

SEPARATION (2)

Earnings and margin improved from very low levels



	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	154.5	150.5	+2.7%	597.5
Order backlog (as of end of period)	MEUR	386.9	370.9	+4.3%	347.3
Sales	MEUR	124.1	127.1	-2.4%	593.8
EBITDA	MEUR	8.0	4.9	+63.3%	25.8
EBITDA margin	%	6.4	3.9	-	4.3
EBITA	MEUR	5.8	2.7	+114.8%	17.1
EBITA margin	%	4.7	2.1	-	2.9
Employees (as of end of period; without apprentices)	-	2,788	2,735	+1.9%	2,772

Order intake practically unchanged compared to last year's reference period

Increase of earnings and profitability from very low levels in Q1 2016

ORDER INTAKE by region Q1 2017 vs. Q1 2016 (%)



SALES by region Q1 2017 vs. Q1 2016 (%)



Outlook for remainder of 2017

Unchanged sales and earnings guidance compared to end of 2016

