

Press release

ANDRITZ GROUP: Results for the first half of 2016

Graz, August 5, 2016. International technology Group ANDRITZ saw solid business development in the first half of 2016. The key financial figures developed as follows:

- Sales in the first half of 2016 amounted to 2,761.2 MEUR, decreasing by 8.1% compared to the previous year's reference period (H1 2015: 3,005.6 MEUR). In the second quarter of 2016, sales decreased by 7.8% compared to the previous year's reference period, reaching 1,475.6 MEUR (Q2 2015: 1,601.3 MEUR).
- In the first half of 2016, order intake of 2,566.4 MEUR was practically at the same level as during the previous year's reference figure (-0.5% versus H1 2015: 2,580.0 MEUR). In the second quarter of 2016, order intake amounted to 1,319.0 MEUR, thus increasing by 14.8% compared to the previous year's reference period (Q2 2015: 1,149.4 MEUR) and also by 5.7% compared to the previous quarter (Q1 2016: 1,247.4 MEUR). This increase is particularly due to some large orders being booked in the metal forming sector for the automotive and the automotive supplying industry (market segment of Schuler).
- The order backlog as of June 30, 2016, amounted to 7,076.3 MEUR (-3.4% versus December 31, 2015: 7,324.2 MEUR).
- Despite the decline of sales, the EBITA, at 183.0 MEUR, in the first half of 2016 remained practically at the same level as during the previous year's reference period (-1.0% versus H1 2015: 184.9 MEUR). As a result, profitability (EBITA margin) increased to 6.6% (H1 2015: 6.2%). In the second quarter of 2016, the EBITA amounted to 99.1 MEUR (-11.1% versus Q2 2015: 111.5 MEUR).
- Net income (without non-controlling interests) increased to 120.2 MEUR (H1 2015: 113.9 MEUR) in the first half of 2016.

Wolfgang Leitner, President & CEO of ANDRITZ AG: *"In view of the continuing, difficult overall macroeconomic environment, we are satisfied with the results achieved in the first half of the year. From today's perspective, we do not expect any significant changes in the markets we serve for the remaining months of this year."*

On the basis of the current financial results, ANDRITZ expects a decline in Group sales for the 2016 business year compared to 2015, but also expects solid development of profitability at the same time.

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Press release for download

The press release is available for download at the ANDRITZ web site: www.andritz.com/news.

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The ANDRITZ GROUP

ANDRITZ is a globally leading supplier of plants, equipment, and services for hydropower stations, the pulp and paper industry, the metalworking and steel industries, and for solid/liquid separation in the municipal and industrial sectors. The publicly listed technology Group is headquartered in Graz, Austria, and has a staff of approximately 25,700 employees. ANDRITZ operates over 250 sites worldwide.

Annual and financial reports

The annual reports and financial reports of the ANDRITZ GROUP are available as PDF for download at www.andritz.com. Printed copies can be requested by e-mail to investors@andritz.com.

Disclaimer

Certain statements contained in this press release constitute "forward-looking statements". These statements, which contain the words "believe", "intend", "expect", and words of a similar meaning, reflect the Executive Board's beliefs and expectations and are subject to risks and uncertainties that may cause actual results to differ materially. As a result, readers are cautioned not to place undue reliance on such forward-looking statements. The company disclaims any obligation to publicly announce the result of any revisions to the forward-looking statements made herein, except where it would be required to do so under applicable law.

Key financial figures of the ANDRITZ GROUP at a glance

	<i>Unit</i>	H1 2016	H1 2015	+/-	Q2 2016	Q2 2015	+/-	2015
Sales	<i>MEUR</i>	2,761.2	3,005.6	-8.1%	1,475.6	1,601.3	-7.8%	6,377.2
HYDRO	<i>MEUR</i>	807.3	866.3	-6.8%	439.4	458.4	-4.1%	1,834.8
PULP & PAPER	<i>MEUR</i>	980.4	1,043.9	-6.1%	522.8	563.4	-7.2%	2,196.3
METALS	<i>MEUR</i>	703.6	796.1	-11.6%	370.6	419.0	-11.6%	1,718.1
SEPARATION	<i>MEUR</i>	269.9	299.3	-9.8%	142.8	160.5	-11.0%	628.0
Order intake	<i>MEUR</i>	2,566.4	2,580.0	-0.5%	1,319.0	1,149.4	+14.8%	6,017.7
HYDRO	<i>MEUR</i>	591.4	794.7	-25.6%	339.4	347.7	-2.4%	1,718.7
PULP & PAPER	<i>MEUR</i>	916.0	908.9	+0.8%	370.4	446.5	-17.0%	2,263.9
METALS	<i>MEUR</i>	768.7	595.4	+29.1%	469.4	210.5	+123.0%	1,438.6
SEPARATION	<i>MEUR</i>	290.3	281.0	+3.3%	139.8	144.7	-3.4%	596.5
Order backlog (as of end of period)	<i>MEUR</i>	7,076.3	7,349.0	-3.7%	7,076.3	7,349.0	-3.7%	7,324.2
EBITDA	<i>MEUR</i>	229.6	230.9	-0.6%	122.9	134.8	-8.8%	534.7
EBITDA margin	%	8.3	7.7	-	8.3	8.4	-	8.4
EBITA	<i>MEUR</i>	183.0	184.9	-1.0%	99.1	111.5	-11.1%	429.0
EBITA margin	%	6.6	6.2	-	6.7	7.0	-	6.7
Earnings Before Interest and Taxes (EBIT)	<i>MEUR</i>	163.0	159.6	+2.1%	88.8	98.1	-9.5%	369.1
Financial result	<i>MEUR</i>	8.9	6.7	+32.8%	8.1	5.6	+44.6%	7.3
Earnings Before Taxes (EBT)	<i>MEUR</i>	171.8	166.4	+3.2%	96.9	103.8	-6.6%	376.4
Net income (without non- controlling interests)	<i>MEUR</i>	120.2	113.9	+5.5%	67.7	69.9	-3.1%	267.7
Cash flow from operating activities	<i>MEUR</i>	200.6	-7.8	+2,671.8%	33.1	-45.0	+173.6%	179.4
Capital expenditure	<i>MEUR</i>	44.8	36.3	+23.4%	28.3	15.5	+82.6%	101.4
Employees (as of end of period; without apprentices)	-	25,737	24,992	+3.0%	25,737	24,992	+3.0%	24,508

All figures according to IFRS. Due to the utilization of automatic calculation programs, differences can arise in the addition of rounded totals and percentages. MEUR = million euros. EUR = euros.