

## Press release

### **ANDRITZ GROUP: favorable business development in the third quarter of 2015**

**Graz, November 6, 2015.** In the third quarter of 2015, international technology Group ANDRITZ showed a favorable business development:

- Sales amounted to 1,583.5 MEUR in the third quarter of 2015 and were thus 8.2% higher than the figure in the third quarter of 2014 (1,463.5 MEUR), with all four business areas increasing their sales. In the first three quarters of 2015, Group sales rose by 11.3% to 4,589.1 MEUR compared to last year's reference period (Q1-Q3 2014: 4,122.9 MEUR).
- The order intake in the third quarter of 2015, at 1,187.6 MEUR, was 25.4% below the high figure for the previous year's reference period (Q3 2014: 1,591.5 MEUR), which included some large orders in the PULP & PAPER and METALS business areas. In connection with the decline in order intake it has to be mentioned that the large order awarded to ANDRITZ by Fibria in July 2015 to supply equipment for a new pulp mill in Brazil was booked in the fourth quarter of 2015; typical order values of comparable projects are about 600 MEUR. In the first three quarters of 2015, the order intake amounted to 3,767.6 MEUR and was thus 17.6% below the high previous year's reference figure (Q1-Q3 2014: 4,571.6 MEUR).
- Earnings of the ANDRITZ GROUP developed favorably. In the third quarter of 2015, EBITA rose to 110.1 MEUR, which is an increase of 9.0% compared to the previous year's reference figure (Q3 2014: 101.0 MEUR). The EBITA margin amounted to 7.0% (Q3 2014: 6.9%). As announced at the end of August 2015, around 55 MEUR of financial provisions were booked in the reporting period for optimization of the value chain at Schuler. These provisions were partly offset by project-related one-off improvements in the amount of approximately 30 MEUR in the PULP & PAPER business area. After adjustment of these extraordinary effects, the Group's EBITA amounted to 135.1 MEUR and the EBITA margin to 8.5% in the third quarter of 2015. Earnings also increased substantially in the first three quarters of 2015. At 295.0 MEUR, the EBITA was 25.9% higher than the figure for the previous year's reference period (Q1-Q3 2014: 234.4 MEUR), while the EBITA margin amounted to 6.4% (Q1-Q3 2014: 5.7%). Excluding the extraordinary effects booked in the third quarter of 2015, the EBITA increased to 320.0 MEUR and the EBITA margin to 7.0%.
- Net income (without non-controlling interests) in the first three quarters of 2015 reached 181.3 MEUR (Q1-Q3 2014: 123.6 MEUR).

On the basis of this business development, the project activity in the ANDRITZ business areas, and the order backlog as of end of September 2015, ANDRITZ currently expects an increase in sales and net income for 2015 compared to the previous year. However, if the economic weakness looming in the emerging economies (particularly China) worsens in the coming months and the global economy further weakens, this could have a negative impact on ANDRITZ's business development.

**Press release for download**

The press release is available for download at [www.andritz.com/news](http://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 almost 25,000 employees. ANDRITZ operates over 250 sites worldwide.

**Annual and financial reports**

The Annual and Financial Reports of the ANDRITZ GROUP are available as PDF for download at [www.andritz.com](http://www.andritz.com). Printed copies may be requested free of charge from [investors@andritz.com](mailto:investors@andritz.com).

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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>	<b>Q1-Q3 2015</b>	<b>Q1-Q3 2014</b>	<b>+/-</b>	<b>Q3 2015</b>	<b>Q3 2014</b>	<b>+/-</b>	<b>2014</b>
<b>Sales</b>	<i>MEUR</i>	<b>4,589.1</b>	<b>4,122.9</b>	<b>+11.3%</b>	<b>1,583.5</b>	<b>1,463.5</b>	<b>+8.2%</b>	<b>5,859.3</b>
HYDRO	<i>MEUR</i>	<b>1,309.6</b>	1,232.2	+6.3%	<b>443.3</b>	426.8	+3.9%	1,752.3
PULP & PAPER	<i>MEUR</i>	<b>1,586.4</b>	1,369.9	+15.8%	<b>542.5</b>	500.6	+8.4%	1,969.3
METALS	<i>MEUR</i>	<b>1,239.8</b>	1,111.8	+11.5%	<b>443.7</b>	389.5	+13.9%	1,550.4
SEPARATION	<i>MEUR</i>	<b>453.3</b>	409.0	+10.8%	<b>154.0</b>	146.6	+5.0%	587.3
<b>Order intake</b>	<i>MEUR</i>	<b>3,767.6</b>	<b>4,571.6</b>	<b>-17.6%</b>	<b>1,187.6</b>	<b>1,591.5</b>	<b>-25.4%</b>	<b>6,101.0</b>
HYDRO	<i>MEUR</i>	<b>1,122.0</b>	1,166.0	-3.8%	<b>327.3</b>	351.4	-6.9%	1,816.7
PULP & PAPER	<i>MEUR</i>	<b>1,255.7</b>	1,629.6	-22.9%	<b>346.8</b>	572.4	-39.4%	1,995.7
METALS	<i>MEUR</i>	<b>953.8</b>	1,328.1	-28.2%	<b>358.4</b>	530.2	-32.4%	1,692.8
SEPARATION	<i>MEUR</i>	<b>436.1</b>	447.9	-2.6%	<b>155.1</b>	137.5	+12.8%	595.8
Order backlog (as of end of period)	<i>MEUR</i>	<b>6,891.8</b>	7,702.2	-10.5%	<b>6,891.8</b>	7,702.2	-10.5%	7,510.6
EBITDA	<i>MEUR</i>	<b>364.1</b>	298.9	+21.8%	<b>133.2</b>	123.2	+8.1%	472.0
EBITDA margin	%	<b>7.9</b>	7.2	-	<b>8.4</b>	8.4	-	8.1
EBITA	<i>MEUR</i>	<b>295.0</b>	234.4	+25.9%	<b>110.1</b>	101.0	+9.0%	379.5
EBITA margin	%	<b>6.4</b>	5.7	-	<b>7.0</b>	6.9	-	6.5
Earnings Before Interest and Taxes (EBIT)	<i>MEUR</i>	<b>259.1</b>	176.0	+47.2%	<b>99.5</b>	81.6	+21.9%	295.7
Financial result	<i>MEUR</i>	<b>4.0</b>	-1.7	+335.3%	<b>-2.8</b>	0.0	n. a.	3.7
Earnings Before Taxes (EBT)	<i>MEUR</i>	<b>263.1</b>	174.3	+50.9%	<b>96.7</b>	81.6	+18.5%	299.4
Net income (without non-controlling interests)	<i>MEUR</i>	<b>181.3</b>	123.6	+46.7%	<b>67.4</b>	56.9	+18.5%	210.9
Cash flow from operating activities	<i>MEUR</i>	<b>132.8</b>	225.6	-41.1%	<b>140.6</b>	176.6	-20.4%	342.1
Capital expenditure	<i>MEUR</i>	<b>59.7</b>	61.9	-3.6%	<b>23.4</b>	27.4	-14.6%	106.5
Employees (as of end of period; without apprentices)	-	<b>24,769</b>	24,468	+1.2%	<b>24,769</b>	24,468	+1.2%	24,853

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 euro. EUR = euro.