

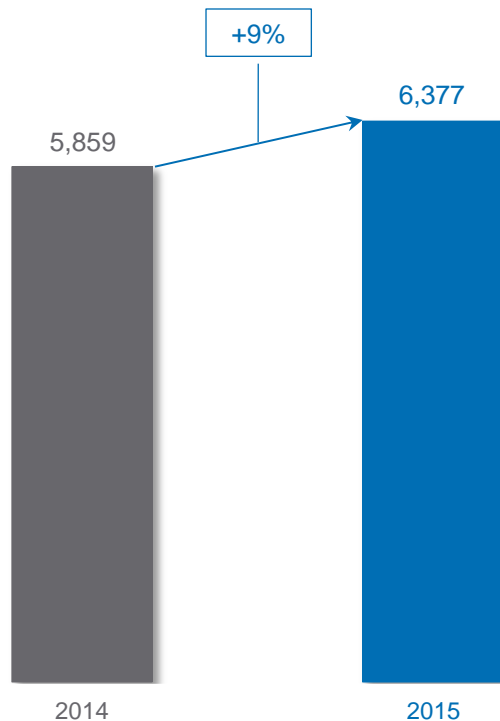


ANDRITZ GROUP: results for 2015

March 4, 2016

Strong increase in Group sales, mainly driven by PULP & PAPER and METALS

SALES 2015 vs. 2014 (MEUR)



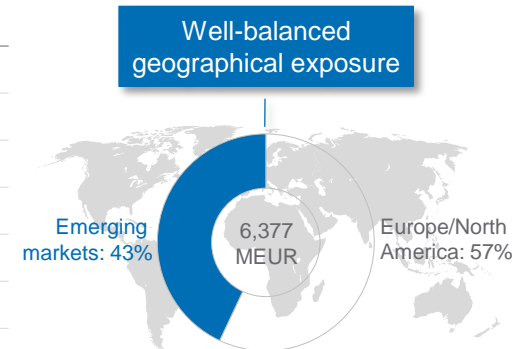
SALES by business area (MEUR)

	2015	2014	+/-
HYDRO	1,835	1,752	+5%
PULP & PAPER	2,196	1,969	+12%
METALS	1,718	1,551	+11%
SEPARATION	628	587	+7%

SALES by region (%)

	2015	2014
Europe	38	41
North America	19	16
South America	14	15
Asia (ex China)	13	11
China	12	13
Others*	4	4

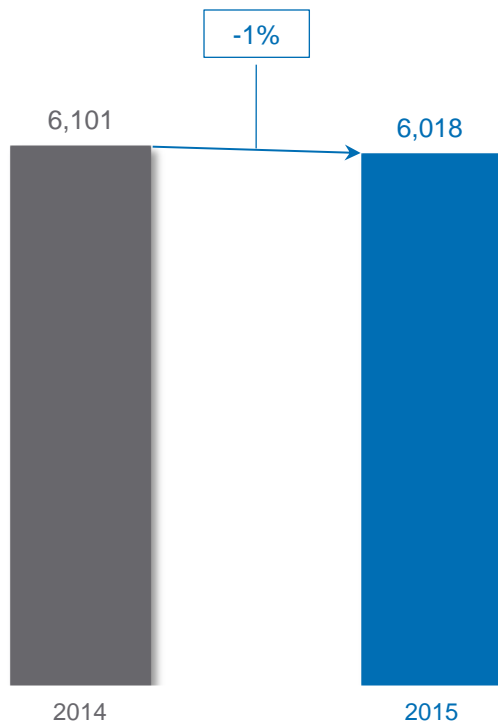
* Africa and Australia



Group order intake almost reached record level of 2014

PULP & PAPER offsets decline in METALS

ORDER INTAKE 2015 vs. 2014 (MEUR)



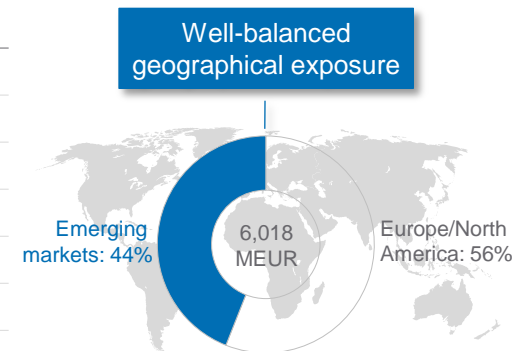
ORDER INTAKE by business area (MEUR)

	2015	2014	+/-
HYDRO	1,719	1,817	-5%
PULP & PAPER	2,264	1,996	+13%
METALS	1,439	1,693	-15%
SEPARATION	597	596	+/-0%

ORDER INTAKE by region (%)

	2015	2014
Europe	36	37
North America	20	18
South America	17	14
Asia (ex China)	13	12
China	11	12
Others*	3	7

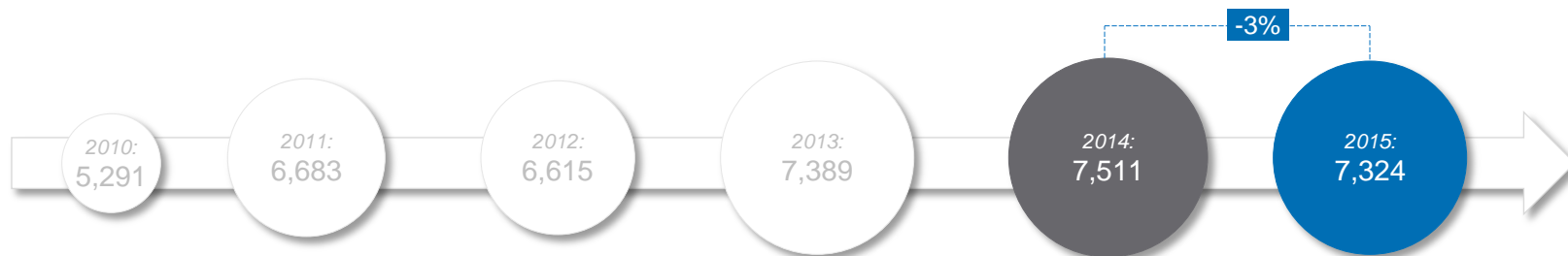
* Africa and Australia



Group order backlog at good level

Decline in METALS due to Schuler

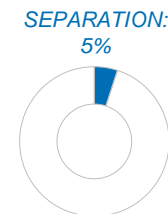
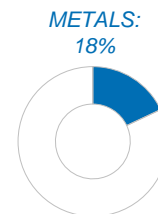
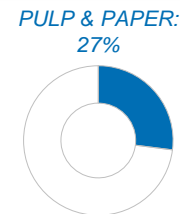
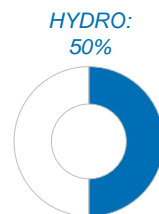
Order backlog (as of end of period in MEUR)



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

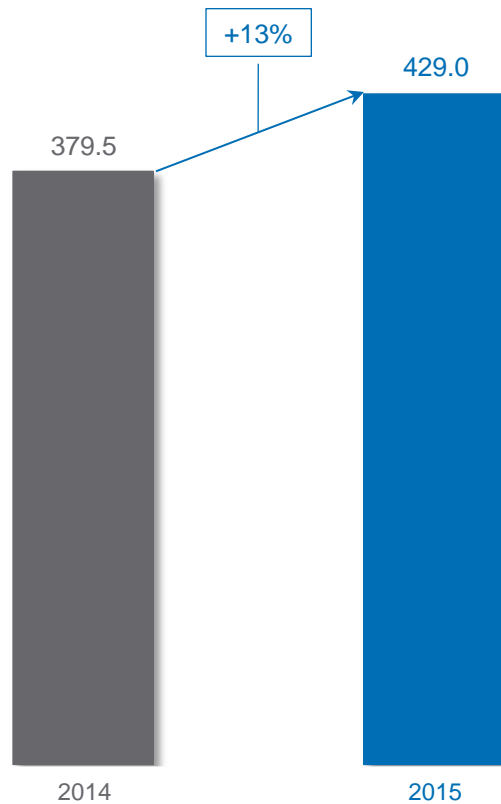
	2015	2014	+/-
HYDRO	3,641	3,709	-2%
PULP & PAPER	1,999	1,875	+7%
METALS	1,333	1,566	-15%
SEPARATION	352	361	-2%

HYDRO and PULP & PAPER account for 77% of total backlog



Earnings and profitability up despite extraordinary expenditure for Schuler restructuring

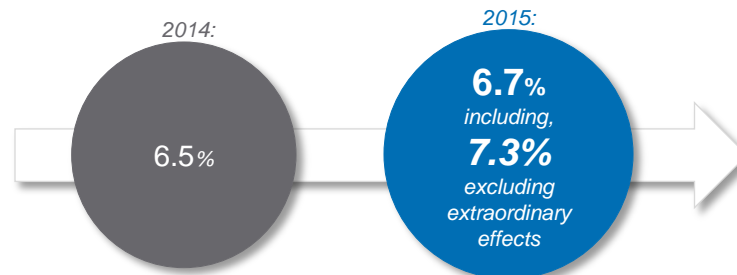
EBITA 2015 vs. 2014 (MEUR)



2015:

- EBITA, at 429.0 MEUR, up by 13% versus 2014 (379.5 MEUR); EBITA margin at 6.7% (2014: 6.5%)
- Restructuring expenses of ~78 MEUR (optimization of value chain at Schuler) partly offset by project-related positive extraordinary effects of ~40 MEUR in PULP & PAPER
- Excluding extraordinary effects in 2015: EBITA increased to 467.0 MEUR and the EBITA margin to 7.3%

EBITA margin (%)



Key figures 2015 at a glance

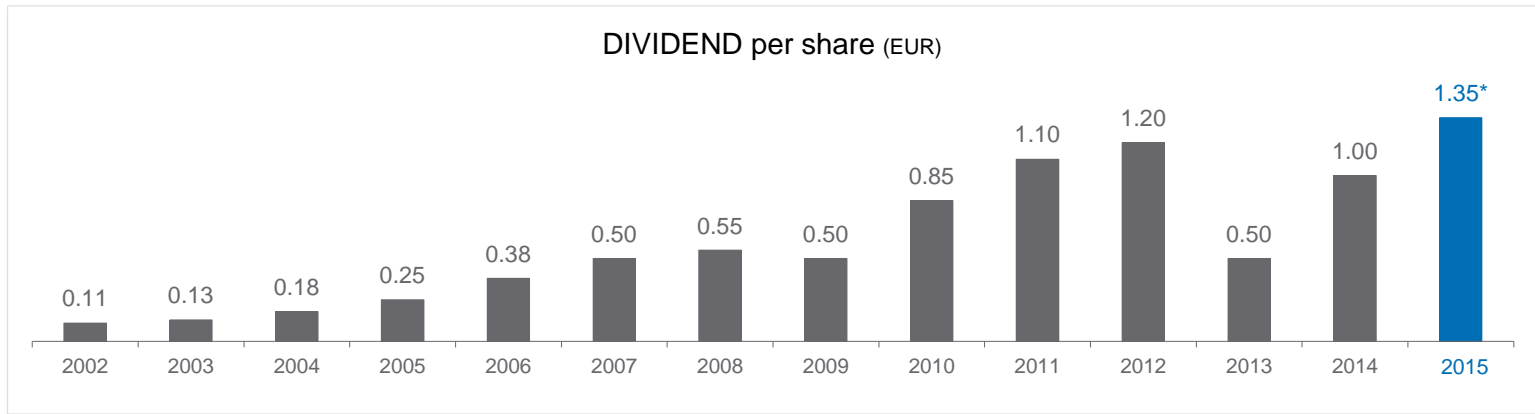
	Unit	2015	2014*	+/-
Order intake	MEUR	6,017.7	6,101.0	-1.4%
Order backlog (as of end of period)	MEUR	7,324.2	7,510.6	-2.5%
Sales	MEUR	6,377.2	5,859.3	+8.8%
EBITDA	MEUR	534.7	472.0	+13.3%
EBITA	MEUR	429.0	379.5	+13.0%
EBIT	MEUR	369.1	295.7	+24.8%
EBT	MEUR	376.4	299.4	+25.7%
Financial result	MEUR	7.3	3.7	+97.3%
Net income (including non-controlling interests)	MEUR	270.4	210.0	+28.8%
Cash flow from operating activities	MEUR	179.4	342.1	-47.6%
Capital expenditure	MEUR	101.4	106.5	-4.8%
Equity ratio	%	21.0	17.3	-
Liquid funds	MEUR	1,449.4	1,701.6	-14.8%
Net liquidity	MEUR	984.0	1,065.1	-7.6%
Net working capital	MEUR	-182.1	-570.9	+68.1%
EBITDA margin	%	8.4	8.1	-
EBITA margin	%	6.7	6.5	-
EBIT margin	%	5.8	5.0	-
Employees (as of end of period; without apprentices)	-	24,508	24,853	-1.4%

Increase of receivables and decrease of liabilities mainly in METALS (Schuler) and HYDRO impact cash flow and net working capital; however, no change of payment terms

* Restated

Proposed dividend of 1.35 EUR/share

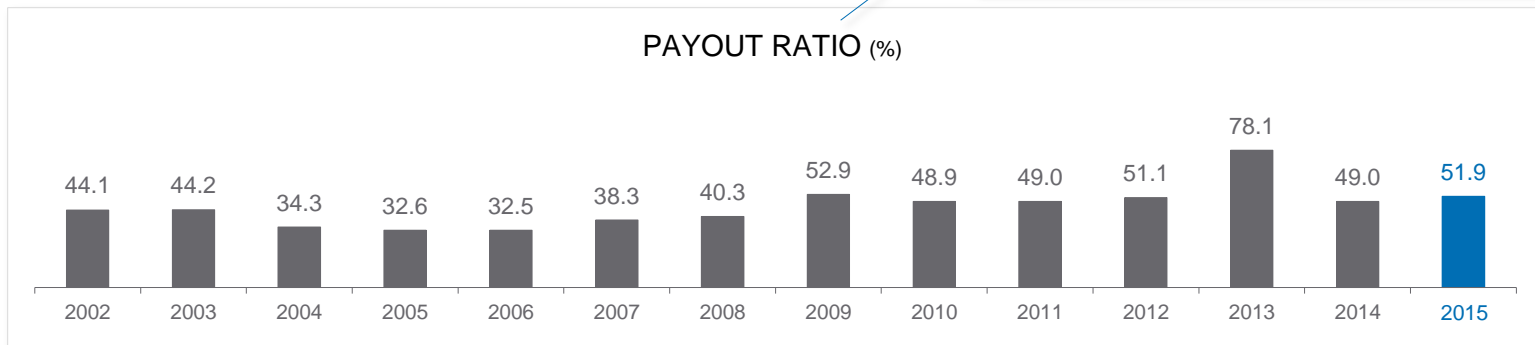
Payout ratio, at ~52%, in line with dividend policy



* Proposal to AGM

Confirmation of dividend goals:

- Maintain payout ratio at a minimum of ~50%
- Mid-term increase to ~60%



HYDRO (1)

Continued moderate project and investment activity

Modernizations/rehabilitations

Many projects postponed until further notice due to unchanged low electricity and energy prices

New hydropower plants

Some new planned projects expected to be awarded only in the medium term

Small-scale hydropower and pumps

Satisfactory project activity

Competition

Stable competition at challenging level



▲ The tidal lagoon hydropower plant in Swansea Bay, Wales, will have a total capacity of 320 megawatts.

HYDRO (2)

Satisfactory business development



Satisfactory order intake in view of unchanged difficult market environment

Sales in 2015 favorably up

Solid development of earnings and margins

	Unit	2015	2014	+/-
Order intake	MEUR	1,718.7	1,816.7	-5.4%
Order backlog (as of end of period)	MEUR	3,640.9	3,708.6	-1.8%
Sales	MEUR	1,834.8	1,752.3	+4.7%
EBITDA	MEUR	183.6	177.2	+3.6%
EBITDA margin	%	10.0	10.1	-
EBITA	MEUR	145.3	144.8	+0.3%
EBITA margin	%	7.9	8.3	-
Employees (as of end of period; without apprentices)	-	8,230	8,339	-1.3%

PULP & PAPER (1)

Good project and investment activity

Modernization and greenfield

Good project and investment activity
both for modernization/refurbishment
projects and greenfield pulp mills

Biomass/power boilers

Unchanged subdued
investment activity,
especially for power boilers

Competition

Unchanging challenging price
competition



▲ ANDRITZ PULP & PAPER supplied the world's largest single pulp production line for the Horizonte 1 pulp mill, Brazil.

PULP & PAPER (2)

Very favorable business development

Order intake significantly up due to receipt of some larger orders (SCA Östrand, Metsä Fibre, Fibria)

Favorable increase in sales

Earnings and margin significantly improved mainly due to project-related extraordinary effects in the amount of ~40 MEUR; EBITA margin excluding these extraordinary effects: 6.9% in 2015

	ANDRITZ Pulp & Paper	Unit	2015	2014	+/-
Order intake		MEUR	2,263.9	1,995.7	+13.4%
Order backlog (as of end of period)		MEUR	1,998.6	1,875.4	+6.6%
Sales		MEUR	2,196.3	1,969.3	+11.5%
EBITDA		MEUR	214.8	127.6	+68.3%
EBITDA margin		%	9.8	6.5	-
EBITA		MEUR	190.9	102.9	+85.5%
EBITA margin		%	8.7	5.2	-
Employees (as of end of period; without apprentices)		-	7,324	7,236	+1.2%

METALS (1): continued low project and investment activity, especially in metalforming for the automotive industry

Metalforming

Especially in China, many projects postponed due to decline of automotive market; satisfactory investment activity in all other metalforming areas, e.g. in forging and minting technology

Aluminum

Project and investment activity below the favorable level of the previous year

Stainless steel

Unchanged low project activity, only selective investments in emerging markets

Competition

Stable competition at challenging level



▲ Successful installation and start-up of a Schuler press line with ServoDirect technology at FAW-Volkswagen China in 2015.

METALS (2): earnings and margins down

due to restructuring expenditure at Schuler



Order intake significantly below the high level in 2014, mainly due to decline of automotive market (Schuler)

Sales favorably up

Earnings and margins significantly down due to extraordinary expenditure of ~78 MEUR related to restructuring of Schuler; EBITA margin excluding this extraordinary effect: 8.6% in 2015

	Unit	2015	2014	+/-
Order intake	MEUR	1,438.6	1,692.8	-15.0%
Order backlog (as of end of period)	MEUR	1,332.5	1,566.1	-14.9%
Sales	MEUR	1,718.1	1,550.4	+10.8%
EBITDA	MEUR	104.8	134.0	-21.8%
EBITDA margin	%	6.1	8.6	-
EBITA	MEUR	70.5	110.2	-36.0%
EBITA margin	%	4.1	7.1	-
Employees (as of end of period; without apprentices)	-	6,160	6,432	-4.2%

SEPARATION (1)

Mixed market development

Environment, food, and chemicals

Satisfactory investment activity

Feed and
biomass pelleting

Unchanged good
project activity

Mining and minerals

Low project activity

Competition

Very fragmented
market with global and
regional competitors



▲ ANDRITZ SEPARATION launched new products in the food industry.
Photo: Lattomatic, an automatic milk fat standardization unit.

SEPARATION (2)

Still unsatisfactory financial development

	ANDRITZ Separation	Unit	2015	2014	+/-
Order intake in 2015 practically unchanged compared to last year's reference period	Order intake	MEUR	596.5	595.8	+0.1%
	Order backlog (as of end of period)	MEUR	352.2	360.5	-2.3%
Sales favorably up	Sales	MEUR	628.0	587.3	+6.9%
	EBITDA	MEUR	31.5	33.2	-5.1%
	EBITDA margin	%	5.0	5.7	-
Earnings and margins still at unsatisfactory levels	EBITA	MEUR	22.3	21.6	+3.2%
	EBITA margin	%	3.6	3.7	-
	Employees (as of end of period; without apprentices)	-	2,794	2,846	-1.8%

Outlook for 2016

Satisfactory business development expected

ANDRITZ Hydro

Project activity for modernizations and new hydropower stations to continue at level of 2015; satisfactory market activity for pumps to continue

ANDRITZ Pulp & Paper

Good project activity for modernizations and capacity increases to continue, however below the extraordinary high level of 2015

ANDRITZ Metals

Low project and investment activity both in metalforming for automotive industry and steel/aluminum to continue

ANDRITZ Separation

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

ANDRITZ GROUP 2016:
Satisfactory business
development expected