

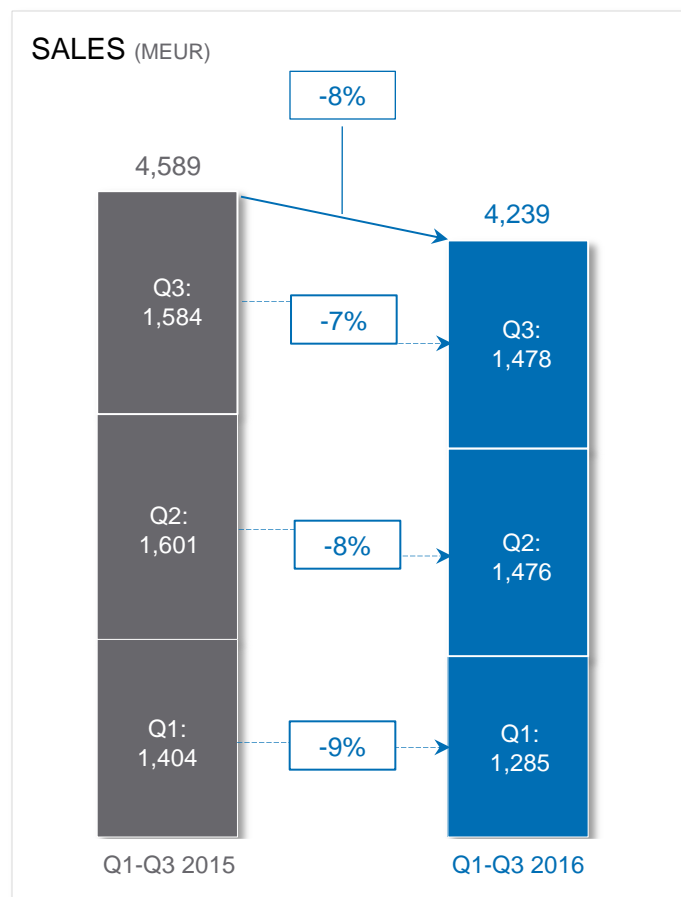


ANDRITZ GROUP: results for Q1-Q3 2016

November 4, 2016

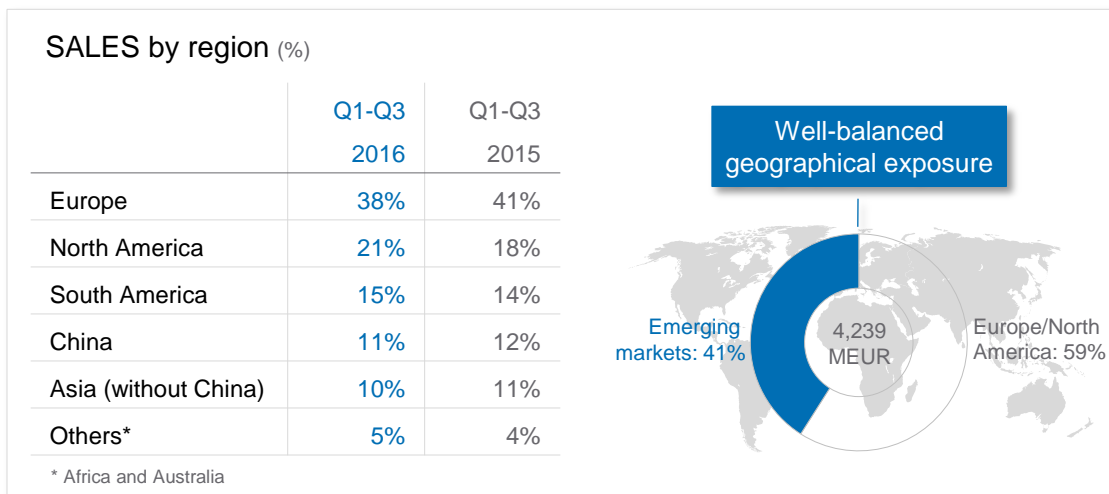
Group sales

Decrease in Q3 2016 mainly due to HYDRO and METALS

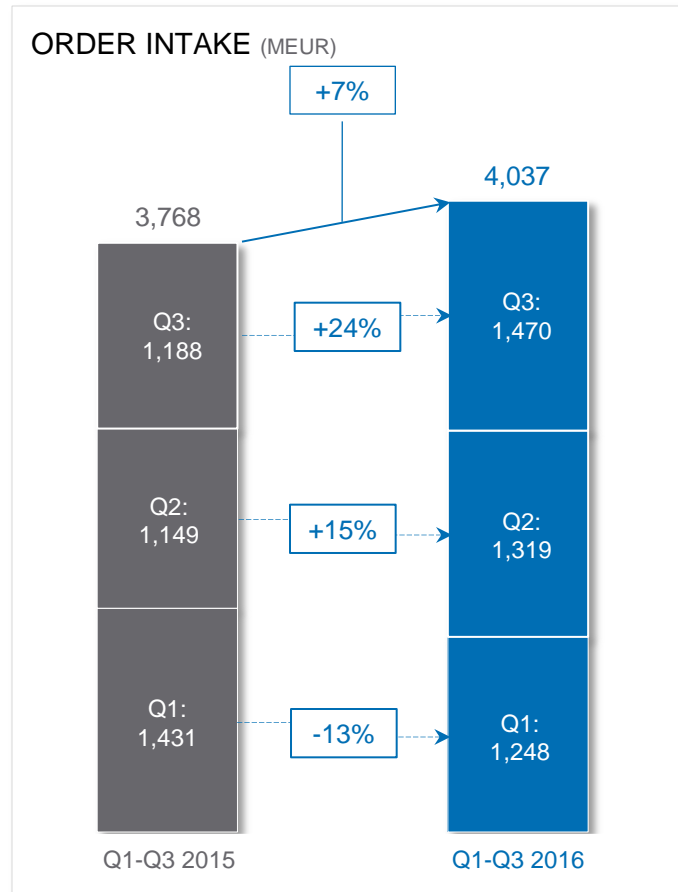


SALES by business area (MEUR)

	Q1-Q3 2016	Q1-Q3 2015	+/-	Q3 2016	Q3 2015	+/-
HYDRO	1,180	1,310	-10%	372	443	-16%
PULP & PAPER	1,534	1,586	-3%	554	543	+2%
METALS	1,110	1,240	-10%	407	444	-8%
SEPARATION	415	453	-8%	145	154	-6%

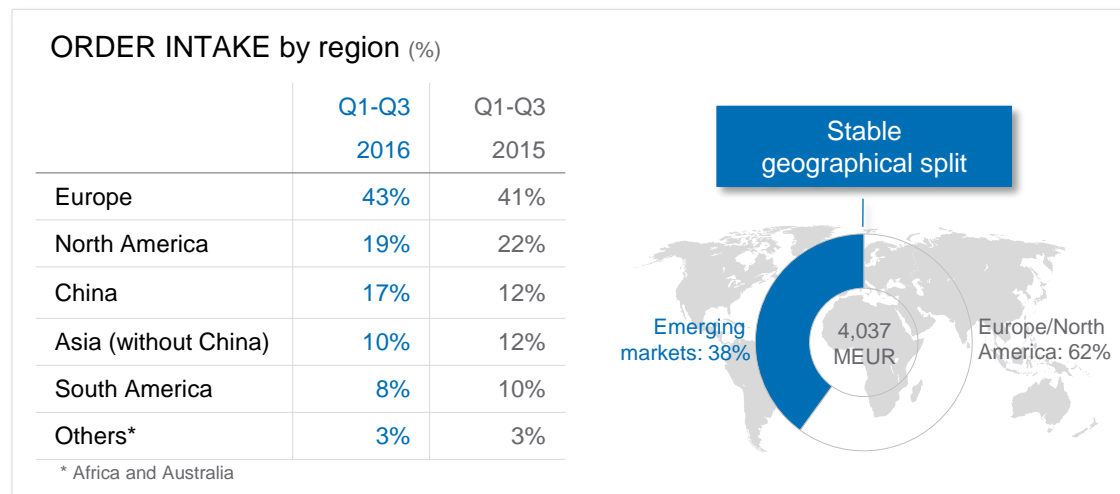


Group order intake in Q3 2016 significantly up, mainly attributable to HYDRO, PULP & PAPER and METALS



ORDER INTAKE by business area (MEUR)

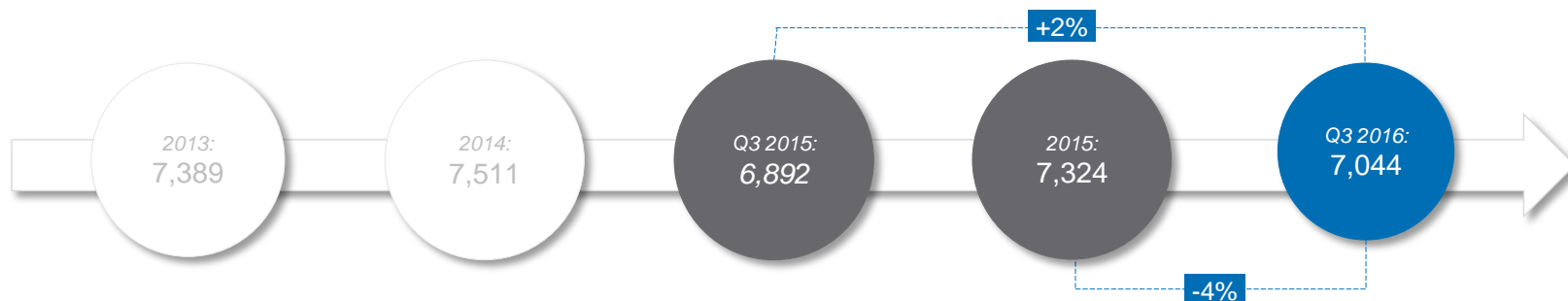
	Q1-Q3 2016	Q1-Q3 2015	+/-	Q3 2016	Q3 2015	+/-
HYDRO	1,061	1,122	-5%	470	327	+43%
PULP & PAPER	1,351	1,256	+8%	435	347	+25%
METALS	1,180	954	+24%	411	358	+15%
SEPARATION	445	436	+2%	155	155	0%



Group order backlog

Solid workload in all business areas

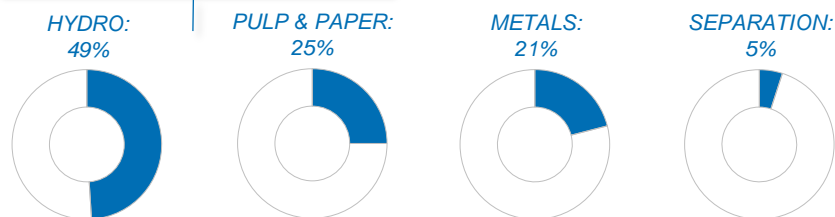
Order backlog (as of end of period in MEUR)



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

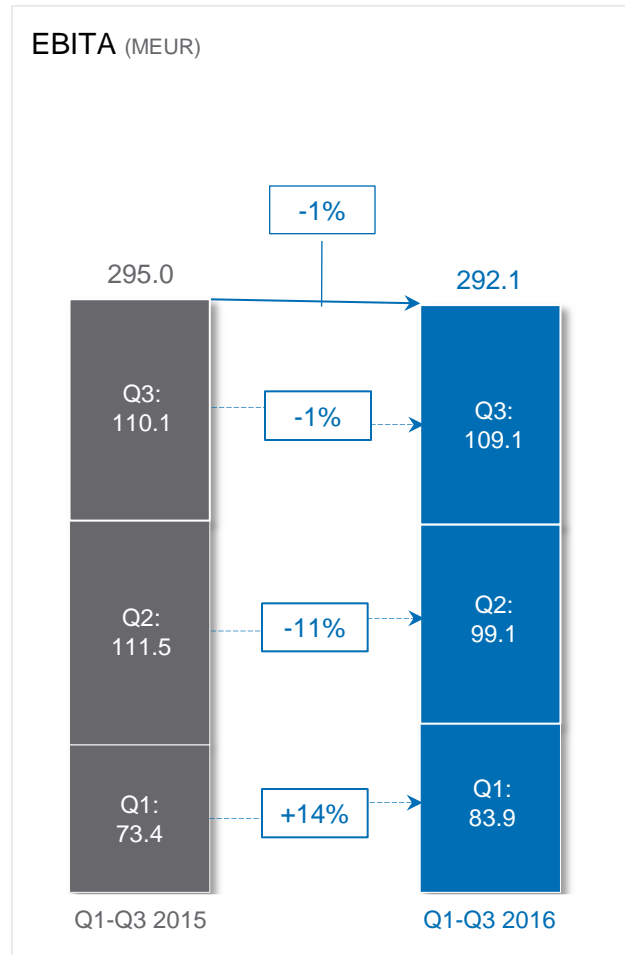
	Q1-Q3 2016	Q1-Q3 2015	+/-
HYDRO	3,394	3,586	-5%
PULP & PAPER	1,791	1,610	+11%
METALS	1,484	1,327	+12%
SEPARATION	375	370	+2%

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



Earnings and profitability: Solid development in Q3 2016

due to PULP & PAPER and METALS

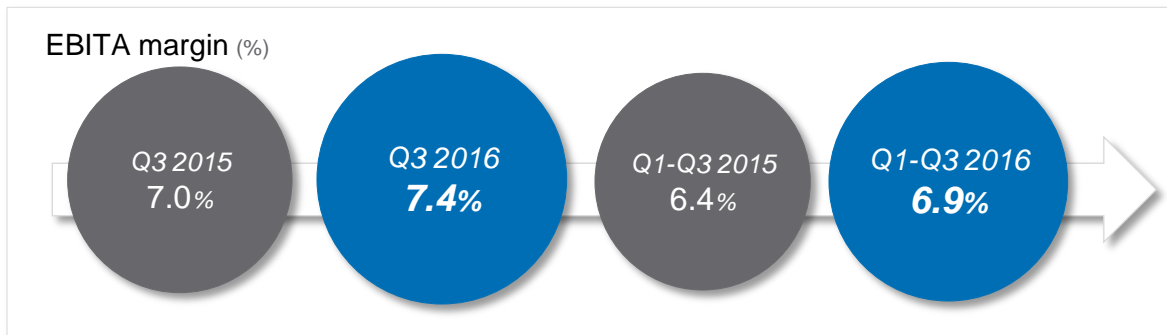


Q3 2016:

- Despite decline in sales, EBITA, at 109.1 MEUR, practically reached level of Q3 2015 (-0.9%; 110.1 MEUR); EBITA margin at favorable level of 7.4% (Q3 2015: 7.0%).
- Profitability of HYDRO, at 7.1%, below last year's reference period due to decrease in sales; very favorable development of PULP & PAPER's profitability (9.7%) both in capital and service. Profitability, however below last year's reference period which included project-related one-off improvements of ~30 MEUR.
- Significant improvement of profitability in METALS (6.4%) compared to Q3 2015 which included provisions for Schuler (optimization of value chain) of ~55 MEUR. SEPARATION still at unsatisfactory level (1.9%).

Q1-Q3 2016:

- Despite decline in sales, EBITA, at 292.1 MEUR, only slightly below level of Q1-Q3 2015 (-1.0%; 295.0 MEUR). Thus, profitability for Q1-Q3 2016 increased to 6.9%.



Key figures Q3/Q1-Q3 2016 at a glance

	Unit	Q1-Q3 2016	Q1-Q3 2015*	+/-	Q3 2016	Q3 2015*	+/-	2015
Order intake	MEUR	4,036.5	3,767.6	+7.1%	1,470.1	1,187.6	+23.8%	6,017.7
Order backlog (as of end of period)	MEUR	7,043.6	6,891.8	+2.2%	7,043.6	6,891.8	+2.2%	7,324.2
Sales	MEUR	4,239.3	4,589.1	-7.6%	1,478.1	1,583.5	-6.7%	6,377.2
EBITDA	MEUR	363.5	364.1	-0.2%	133.9	133.2	+0.5%	534.7
EBITA	MEUR	292.1	295.0	-1.0%	109.1	110.1	-0.9%	429.0
EBIT	MEUR	261.8	259.1	+1.0%	98.8	99.5	-0.7%	369.1
EBT	MEUR	277.5	263.1	+5.5%	105.6	96.7	+9.2%	376.4
Financial result	MEUR	15.7	4.0	+292.5%	6.8	-2.8	+342.9%	7.3
Net income (including non-controlling interests)	MEUR	194.3	183.5	+5.9%	73.9	67.6	+9.3%	270.4
Cash flow from operating activities	MEUR	345.7	132.8	+160.3%	145.1	140.6	+3.2%	179.4
Capital expenditure	MEUR	76.3	59.7	+27.8%	31.5	23.4	+34.6%	101.4
Equity ratio	%	20.4	19.3	-	20.4	19.3	-	21.0
Liquid funds	MEUR	1,494.9	1,367.1	+9.3%	1,494.9	1,367.1	+9.3%	1,449.4
Net liquidity	MEUR	974.0	930.3	+4.7%	974.0	930.3	+4.7%	984.0
Net working capital	MEUR	-261.0	-354.1	+26.3%	-261.0	-354.1	+26.3%	-182.1
EBITDA margin	%	8.6	7.9	-	9.1	8.4	-	8.4
EBITA margin	%	6.9	6.4	-	7.4	7.0	-	6.7
EBIT margin	%	6.2	5.6	-	6.7	6.3	-	5.8
Employees (as of end of period; without apprentices)	-	25,547	24,769	+3.1%	25,547	24,769	+3.1%	24,508

Favorable development of operating cash flow

Net working capital improved compared to very low level as of end of 2015

Increase mainly due to first-time consolidation of AWEBA (+568) and Yadon (+1,015)

* Restated

HYDRO (1): Project and investment activity remained subdued, however selective medium-sized projects awarded

Modernizations/rehabilitations

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

New hydropower plants

Some new projects in advanced planning phase

Competition

Challenging market conditions for some selective projects

Small-scale hydropower and pumps

Satisfactory project activity

▲ *Pump impellers used for irrigation of agricultural land.*

HYDRO (2)

Solid business development, but continuing low order intake

	ANDRITZ Hydro	Unit	Q1-Q3 2016	Q1-Q3 2015	+/-	Q3 2016	Q3 2015	+/-	2015
Order intake		MEUR	1,060.9	1,122.0	-5.4%	469.5	327.3	+43.4%	1,718.7
Order backlog (as of end of period)		MEUR	3,393.5	3,585.8	-5.4%	3,393.5	3,585.8	-5.4%	3,640.9
Sales		MEUR	1,179.7	1,309.6	-9.9%	372.4	443.3	-16.0%	1,834.8
EBITDA		MEUR	105.8	116.1	-8.9%	34.0	42.3	-19.6%	183.6
EBITDA margin		%	9.0	8.9	-	9.1	9.5	-	10.0
EBITA		MEUR	82.4	91.6	-10.0%	26.4	33.6	-21.4%	145.3
EBITA margin		%	7.0	7.0	-	7.1	7.6	-	7.9
Employees (as of end of period; without apprentices)		-	7,626	8,474	-10.0%	7,626	8,474	-10.0%	8,230

Order intake in Q3 2016 significantly up due to receipt of some medium-sized orders in Europe and Asia

Project-related sales decline

Solid development of earnings and margin despite decline in sales

Project-related decline of employees

PULP & PAPER (1)

Satisfactory project and investment activity

Modernization and greenfield

Satisfactory project and investment activity for modernization/refurbishment projects; no contracts were awarded for greenfield pulp mills in Q3 2016. No large project order awards expected until year-end.

Competition

Stable competitive environment



▲ ANDRITZ PrimeLineCOMPACT tissue machine

PULP & PAPER (2)

Favorable business development

Order intake significantly up compared to Q3 2015

Sales slightly up in Q3 2016

Very favorable development of earnings and profitability in both capital and service. Profitability, however below extraordinary high figure of Q3 2015 which included project-related one-off improvements of ~30 MEUR

	ANDRITZ Pulp & Paper	Unit	Q1-Q3 2016	Q1-Q3 2015	+/-	Q3 2016	Q3 2015	+/-	2015
Order intake	MEUR	1,351.0	1,255.7	+7.6%	435.0	346.8	+25.4%	2,263.9	
Order backlog (as of end of period)	MEUR	1,790.6	1,609.6	+11.2%	1,790.6	1,609.6	+11.2%	1,998.6	
Sales	MEUR	1,534.0	1,586.4	-3.3%	553.6	542.5	+2.0%	2,196.3	
EBITDA	MEUR	150.8	167.4	-9.9%	60.4	85.7	-29.5%	214.8	
EBITDA margin	%	9.8	10.6	-	10.9	15.8	-	9.8	
EBITA	MEUR	132.1	149.5	-11.6%	53.9	79.6	-32.3%	190.9	
EBITA margin	%	8.6	9.4	-	9.7	14.7	-	8.7	
Employees (as of end of period; without apprentices)	-	7,546	7,226	+4.4%	7,546	7,226	+4.4%	7,324	

METALS (1)

Satisfactory project and investment activity

Metal forming

Satisfactory project activity; some medium-sized order awards by car manufacturers and suppliers

Stainless steel

Unchanged low project activity, only selective investments in emerging markets



Competition

Stable competition at challenging level

Aluminum

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

▲ *Blanking lines from Schuler can also be used in restricted spaces and low-height production halls.*


METALS (2)

Despite decrease in sales, satisfactory business development

Very favorable development of order intake in Q3 2016, which included some medium-sized orders in the metal forming sector for the automotive and automotive supplying industry (Schuler) in Europe, USA, and China

Solid development of earnings and profitability; Q3 2015 included financial provisions for optimization of value chain at Schuler of ~55 MEUR.

Increase mainly due to first-time consolidation of AWEBA (+568) and Yadon (+1,015)

		Unit	Q1-Q3 2016	Q1-Q3 2015	+/-	Q3 2016	Q3 2015	+/-	2015
Order intake		MEUR	1,179.5	953.8	+23.7%	410.8	358.4	+14.6%	1,438.6
Order backlog (as of end of period)		MEUR	1,484.4	1,326.9	+11.9%	1,484.4	1,326.9	+11.9%	1,332.5
Sales		MEUR	1,110.3	1,239.8	-10.4%	406.7	443.7	-8.3%	1,718.1
EBITDA		MEUR	87.5	58.2	+50.3%	34.4	-2.2	+1,663.6%	104.8
EBITDA margin		%	7.9	4.7	-	8.5	-0.5	-	6.1
EBITA		MEUR	64.8	38.3	+69.2%	26.0	-8.9	+392.1%	70.5
EBITA margin		%	5.8	3.1	-	6.4	-2.0	-	4.1
Employees (as of end of period; without apprentices)		-	7,605	6,272	+21.3%	7,605	6,272	+21.3%	6,160

SEPARATION (1)

Mixed development of markets

Environment and chemicals

Satisfactory investment activity

Feed and biomass pelleting

Solid project activity

Mining and minerals

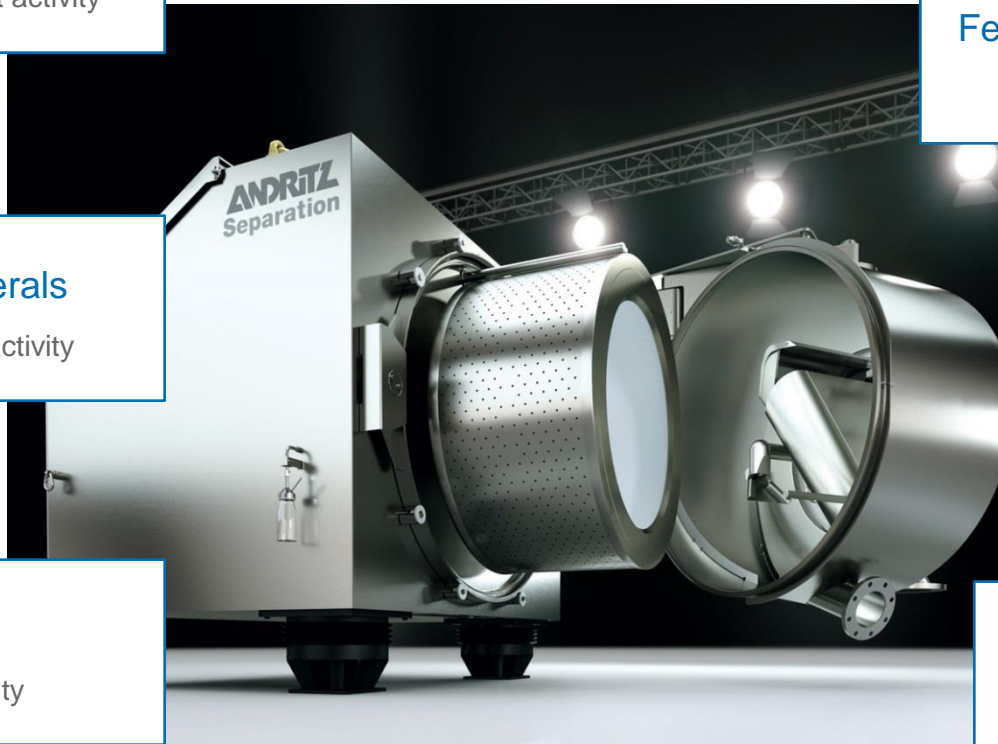
Satisfactory project activity

Food

Low project activity

Competition

Very fragmented market with global and regional competitors



▲ *The PUREVO pharma peeler centrifuge ensures maximum levels of product purity, yield, and flexibility.*

SEPARATION (2)

Order intake, earnings and margin still at unsatisfactory levels

	ANDRITZ Separation	Unit	Q1-Q3 2016	Q1-Q3 2015	+/-	Q3 2016	Q3 2015	+/-	2015
Order intake practically unchanged compared to level of last year	Order intake	MEUR	445.1	436.1	+2.1%	154.8	155.1	-0.2%	596.5
	Order backlog (as of end of period)	MEUR	375.1	369.5	+1.5%	375.1	369.5	+1.5%	352.2
Sales down	Sales	MEUR	415.3	453.3	-8.4%	145.4	154.0	-5.6%	628.0
	EBITDA	MEUR	19.4	22.4	-13.4%	5.1	7.4	-31.1%	31.5
	EBITDA margin	%	4.7	4.9	-	3.5	4.8	-	5.0
Earnings and margins continued to be impacted by minor restructuring expenses	EBITA	MEUR	12.8	15.6	-17.9%	2.8	5.8	-51.7%	22.3
	EBITA margin	%	3.1	3.4	-	1.9	3.8	-	3.6
	Employees (as of end of period; without apprentices)	-	2,770	2,797	-1.0%	2,770	2,797	-1.0%	2,794

Outlook for remainder of 2016

Stable market conditions

