

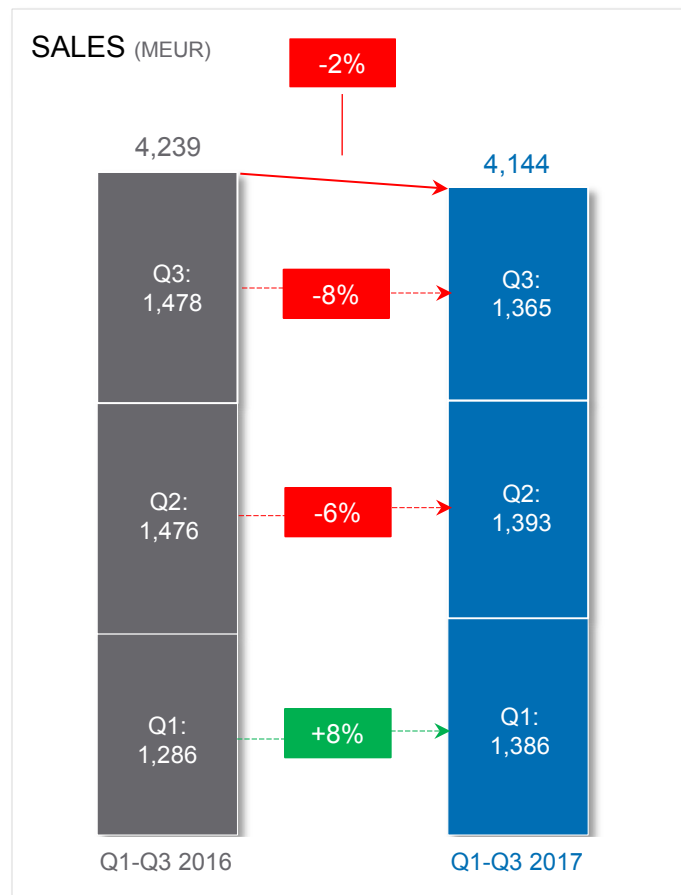


ANDRITZ GROUP: results for Q1-Q3 2017

November 3, 2017

Group sales in Q1-Q3 2017 slightly down

Decrease in Q3 2017 mainly due to PULP & PAPER and HYDRO

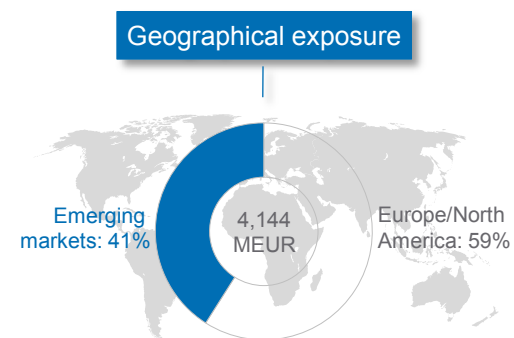


SALES by business area (MEUR)

	Q1-Q3 2017	Q1-Q3 2016	+/-	Q3 2017	Q3 2016	+/-
HYDRO	1,072	1,180	-9%	347	372	-7%
PULP & PAPER	1,474	1,534	-4%	483	554	-13%
METALS	1,185	1,110	+7%	393	407	-3%
SEPARATION	413	415	-1%	142	145	-3%

SALES by region (%)

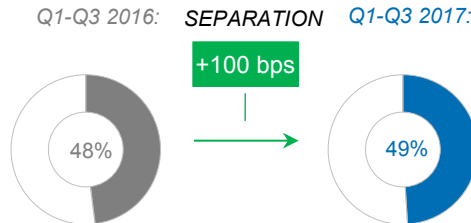
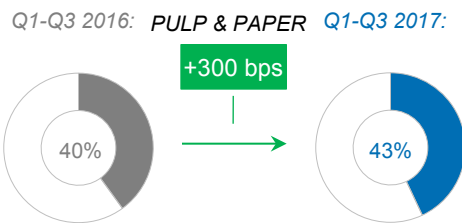
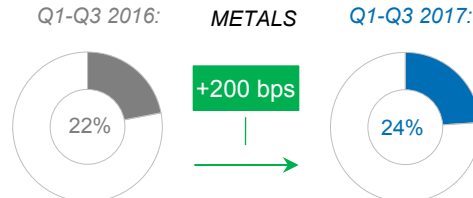
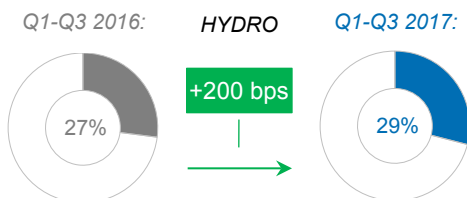
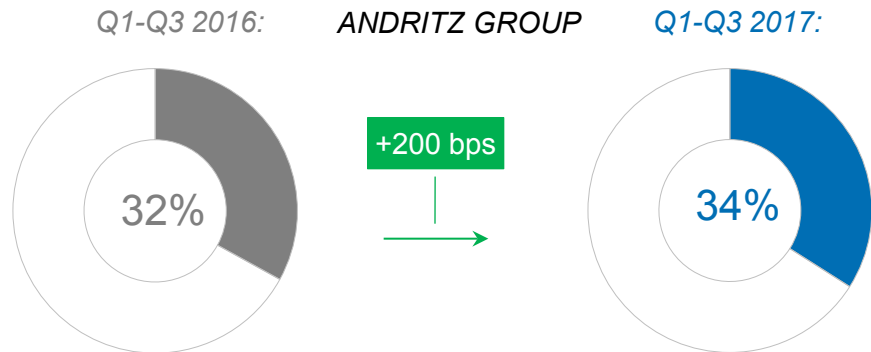
	Q1-Q3 2017	Q1-Q3 2016
Europe	37%	38%
North America	22%	21%
China	15%	11%
Asia (without China)	12%	10%
South America	10%	15%
Africa, Australia	4%	5%



Very favorable development of service business

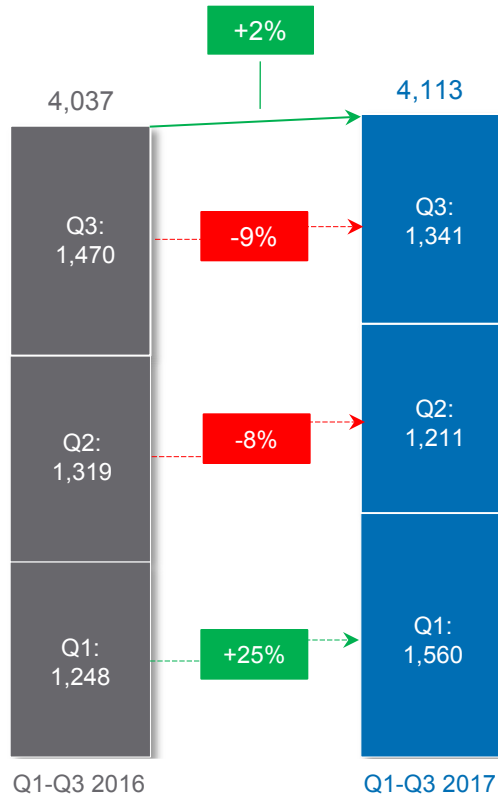
Increase in all four business areas

SHARE OF SERVICE SALES of Group and business area sales (%)



Group order intake in Q1-Q3 2017 slightly up, however decline in Q3 due to HYDRO and METALS (Schuler)

ORDER INTAKE (MEUR)

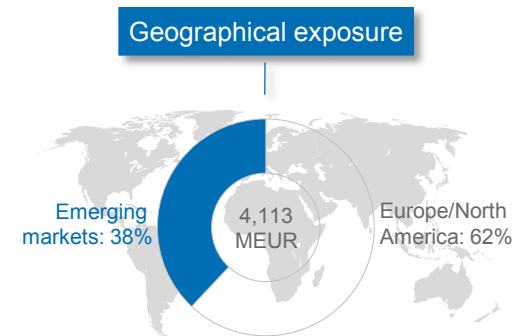


ORDER INTAKE by business area (MEUR)

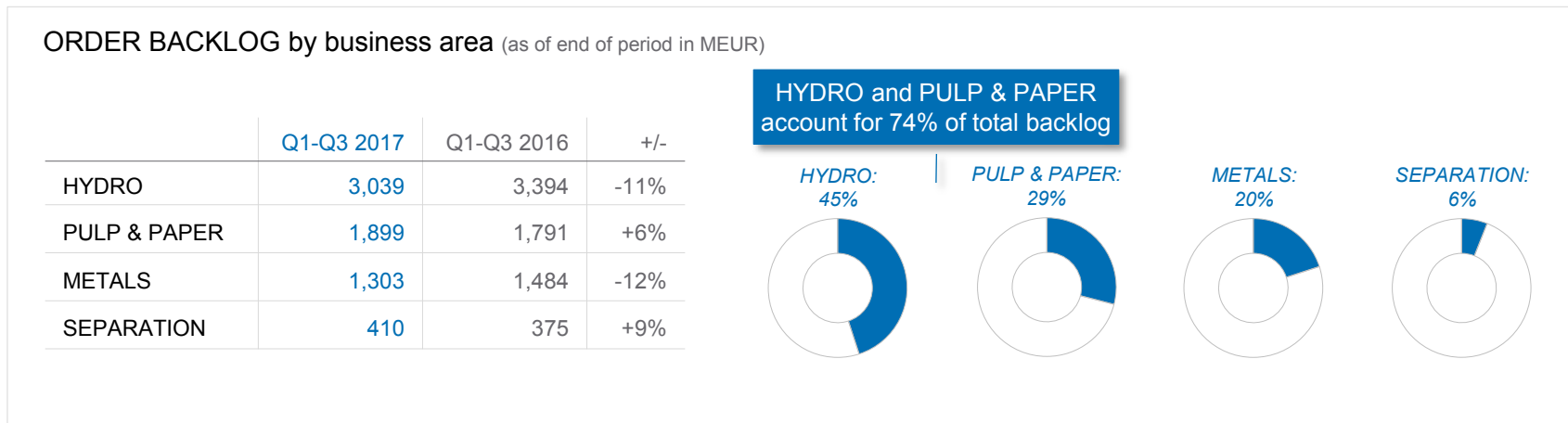
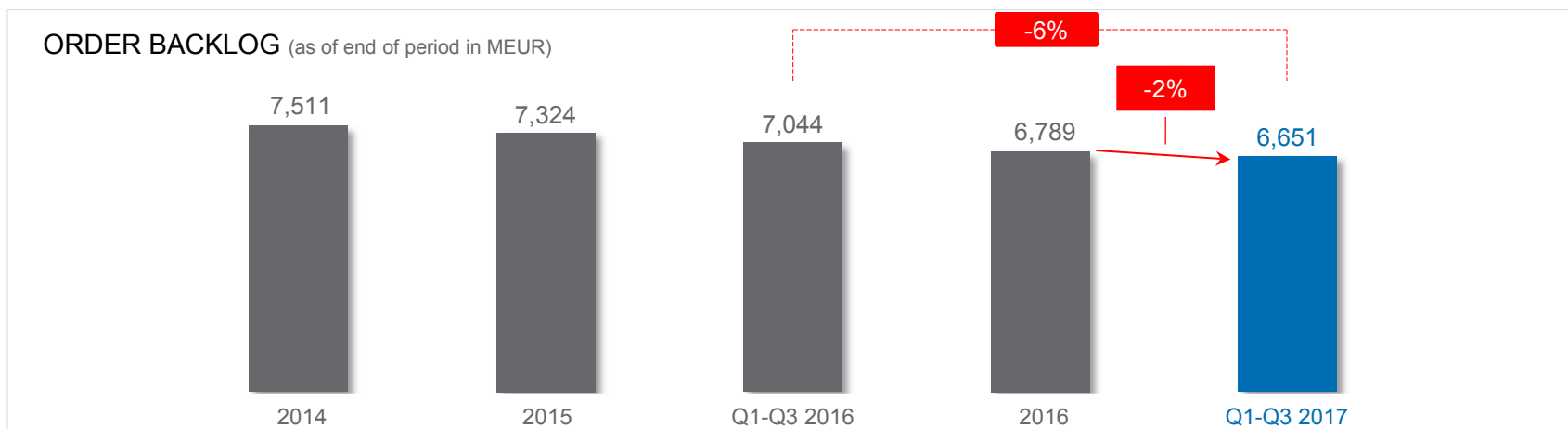
	Q1-Q3 2017	Q1-Q3 2016	+/-	Q3 2017	Q3 2016	+/-
HYDRO	939	1,061	-11%	425	470	-9%
PULP & PAPER	1,552	1,351	+15%	427	435	-2%
METALS	1,144	1,180	-3%	329	411	-20%
SEPARATION	478	445	+7%	160	155	+3%

ORDER INTAKE by region (%)

	Q1-Q3 2017	Q1-Q3 2016
Europe	40%	43%
North America	22%	19%
China	18%	17%
Asia (without China)	10%	10%
South America	7%	8%
Africa, Australia	3%	3%

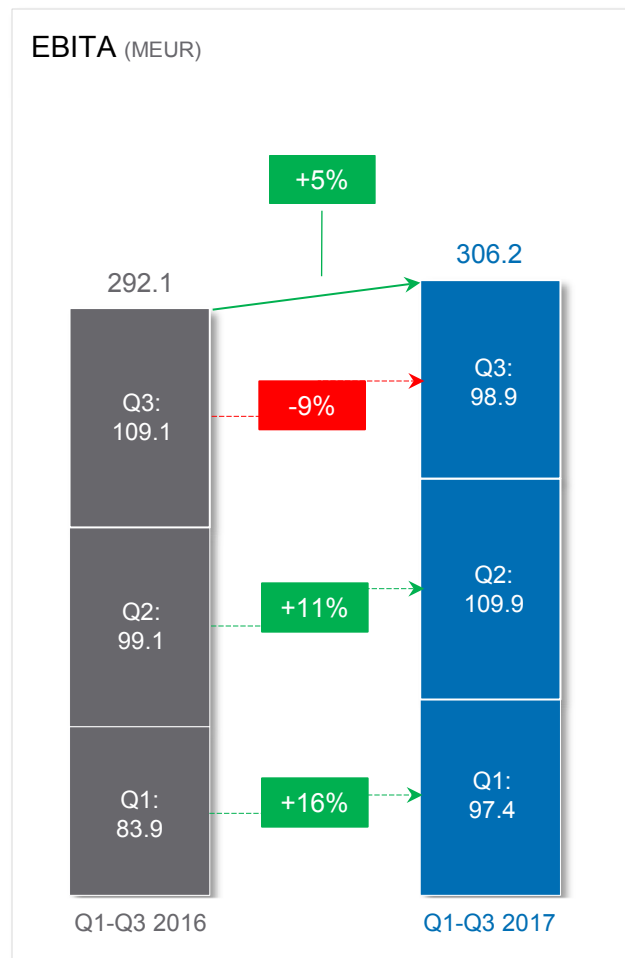


Group order backlog slightly below year-end 2016



Earnings down practically in line with sales decline

Profitability at solid level



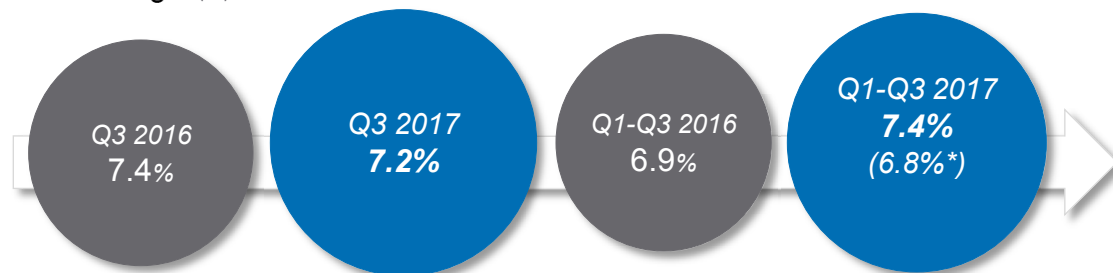
Q3 2017:

- EBITA in Q3 2017 declined practically in line with sales to 98.9 MEUR (Q3 2016: 109.1 MEUR).
- Profitability, at 7.2%, remained at solid level (Q3 2016: 7.4%).

Q1-Q3 2017:

- Despite slight decline of sales, EBITA increased to 306.2 MEUR (Q1-Q3 2016: 292.1 MEUR). This is mainly due to the sale of the Schuler Technical Center reported in Q2 2017 (~+25°MEUR one-off effect).
- EBITA margin increased to 7.4% (Q1-Q3 2016: 6.9%). Excluding the extraordinary effect, EBITA would have been 282.6 MEUR and the EBITA margin 6.8%.

EBITA margin (%)



* Excluding extraordinary effect (mainly due to sale of the Schuler Technical Center in Tianjin in Q2 2017)

Key figures Q3/Q1-Q3 2017 at a glance

Significant decrease due to lower average liquidity and substantially lower interest rates in Brazil, as well as interest expense for both SSD issued in June 2017 and the call option for Yadon

Increase in net working capital mainly due to lack of larger orders

	Unit	Q1-Q3 2017	Q1-Q3 2016	+/-	Q3 2017	Q3 2016	+/-	2016
Order intake	MEUR	4,112.5	4,036.5	+1.9%	1,341.2	1,470.1	-8.8%	5,568.8
Order backlog (as of end of period)	MEUR	6,650.8	7,043.6	-5.6%	6,650.8	7,043.6	-5.6%	6,789.2
Sales	MEUR	4,143.6	4,239.3	-2.3%	1,364.6	1,478.1	-7.7%	6,039.0
EBITDA	MEUR	375.2	363.5	+3.2%	121.7	133.9	-9.1%	542.4
EBITA	MEUR	306.2	292.1	+4.8%	98.9	109.1	-9.3%	442.1
EBIT	MEUR	275.9	261.8	+5.4%	90.5	98.8	-8.4%	385.8
EBT	MEUR	275.1	277.5	-0.9%	86.2	105.6	-18.4%	398.4
Financial result	MEUR	-0.8	15.7	-105.1%	-4.3	6.8	-163.2%	12.6
Net income (including non-controlling interests)	MEUR	191.4	194.3	-1.5%	59.6	73.9	-19.4%	274.8
Cash flow from operating activities	MEUR	129.2	345.7	-62.6%	47.7	145.1	-67.1%	366.6
Capital expenditure	MEUR	81.5	76.3	+6.8%	25.6	31.5	-18.7%	119.5
Equity ratio	%	20.6	20.4	-	20.6	20.4	-	21.7
Liquid funds	MEUR	1,768.8	1,494.9	+18.3%	1,768.8	1,494.9	+18.3%	1,507.1
Net liquidity	MEUR	878.2	974.0	-9.8%	878.2	974.0	-9.8%	945.3
Net working capital	MEUR	-112.3	-261.0	+57.0%	-112.3	-261.0	+57.0%	-215.8
EBITDA margin	%	9.1	8.6	-	8.9	9.1	-	9.0
EBITA margin	%	7.4	6.9	-	7.2	7.4	-	7.3
EBIT margin	%	6.7	6.2	-	6.6	6.7	-	6.4
Employees (as of end of period; without apprentices)	-	25,686	25,547	+0.5%	25,686	25,547	+0.5%	25,162

HYDRO (1): Unchanged challenging market environment with only a few medium-sized projects awarded

New hydropower plants

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

Pumps

Good project activity.



Modernizations/rehabilitations

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

Competition

Stable competition at challenging level.

▲ ANDRITZ will supply 27 vertical volute pumps for irrigation of Telangana, India.

HYDRO (2)

Lower order intake and sales, however satisfactory profitability

Order intake below the high reference figure in Q3 2016, but considerably higher than the order intake for the two preceding quarters

Decrease in sales

Despite decrease in sales, profitability significantly up; mainly due to successful project execution as well as increase in service business

	ANDRITZ Hydro	Unit	Q1-Q3 2017	Q1-Q3 2016	+/-	Q3 2017	Q3 2016	+/-	2016
Order intake		MEUR	939.0	1,060.9	-11.5%	425.0	469.5	-9.5%	1,500.3
Order backlog (as of end of period)		MEUR	3,038.7	3,393.5	-10.5%	3,038.7	3,393.5	-10.5%	3,269.6
Sales		MEUR	1,071.5	1,179.7	-9.2%	346.9	372.4	-6.8%	1,752.4
EBITDA		MEUR	94.0	105.8	-11.2%	36.8	34.0	+8.2%	167.2
EBITDA margin		%	8.8	9.0	-	10.6	9.1	-	9.5
EBITA		MEUR	73.3	82.4	-11.0%	30.1	26.4	+14.0%	127.6
EBITA margin		%	6.8	7.0	-	8.7	7.1	-	7.3
Employees (as of end of period; without apprentices)		-	7,365	7,626	-3.4%	7,365	7,626	-3.4%	7,260

ORDER INTAKE by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



SALES by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



PULP & PAPER (1)

Solid market environment continued



Pulp

Satisfactory project and investment activity, particularly for modernization of existing pulp mills. No order awards for greenfield pulp mills in Q3 2017.

Paper

Satisfactory market development for tissue and packaging equipment continued.

Competition

Stable competitive environment.

▲ *ANDRITZ successfully started up Fibria's Horizonte 2 pulp mill.*

PULP & PAPER (2)

Satisfactory business development



	Unit	Q1-Q3 2017	Q1-Q3 2016	+/-	Q3 2017	Q3 2016	+/-	2016
Solid development in both capital and service	Order intake	MEUR 1,552.0	1,351.0	+14.9%	427.1	435.0	-1.8%	1,919.5
	Order backlog (as of end of period)	MEUR 1,899.1	1,790.6	+6.1%	1,899.1	1,790.6	+6.1%	1,803.3
Project related decline of sales	Sales	MEUR 1,474.3	1,534.0	-3.9%	483.4	553.6	-12.7%	2,094.4
	EBITDA	MEUR 148.8	150.8	-1.3%	51.4	60.4	-14.9%	207.7
	EBITDA margin	% 10.1	9.8	-	10.6	10.9	-	9.9
Continued high profitability despite sales decline	EBITA	MEUR 129.7	132.1	-1.8%	45.0	53.9	-16.5%	182.2
	EBITA margin	% 8.8	8.6	-	9.3	9.7	-	8.7
	Employees (as of end of period; without apprentices)	- 7,982	7,546	+5.8%	7,982	7,546	+5.8%	7,522

ORDER INTAKE by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



SALES by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



METALS (1): Unchanged weak metalforming market

Recovery of METALS processing market

Metalforming

Unchanged low investment activity in metalforming with only a few large orders placed for press lines; favorable development of Yadon continued.

METALS processing

Further increase in project activity - however from very low level - mainly driven by rising steel and commodity prices.

Competition

Stable competition at challenging level.



▲ Schuler offers state-of-the-art presses with new TwinServo Technology.

METALS (2)

Earnings and profitability at unsatisfactory level

Order intake in Q3 substantially below high reference figure of last year; low order intake in metalforming (Schuler) somewhat offset by good development in METALS processing

Earnings and profitability at unsatisfactory level in Q3 2017, mainly due to cost overruns on some projects in METALS processing

	ANDRITZ Metals	Unit	Q1-Q3 2017	Q1-Q3 2016	+/-	Q3 2017	Q3 2016	+/-	2016
Order intake		MEUR	1,143.6	1,179.5	-3.0%	329.4	410.8	-19.8%	1,551.5
Order backlog (as of end of period)		MEUR	1,302.8	1,484.4	-12.2%	1,302.8	1,484.4	-12.2%	1,369.0
Sales		MEUR	1,185.0	1,110.3	+6.7%	392.7	406.7	-3.4%	1,598.4
EBITDA		MEUR	106.6	87.5	+21.8%	24.2	34.4	-29.7%	141.7
EBITDA margin		%	9.0	7.9	-	6.2	8.5	-	8.9
EBITA		MEUR	84.0	64.8	+29.6%	16.7	26.0	-35.8%	115.2
EBITA margin		%	7.1	5.8	-	4.3	6.4	-	7.2
Employees (as of end of period; without apprentices)		-	7,567	7,605	-0.5%	7,567	7,605	-0.5%	7,608

ORDER INTAKE by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



SALES by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



SEPARATION (1): Improved project and investment activity for solid/liquid separation equipment

Municipal

Investment activity at good levels, mainly in developed markets.

Feed and biomass pelleting

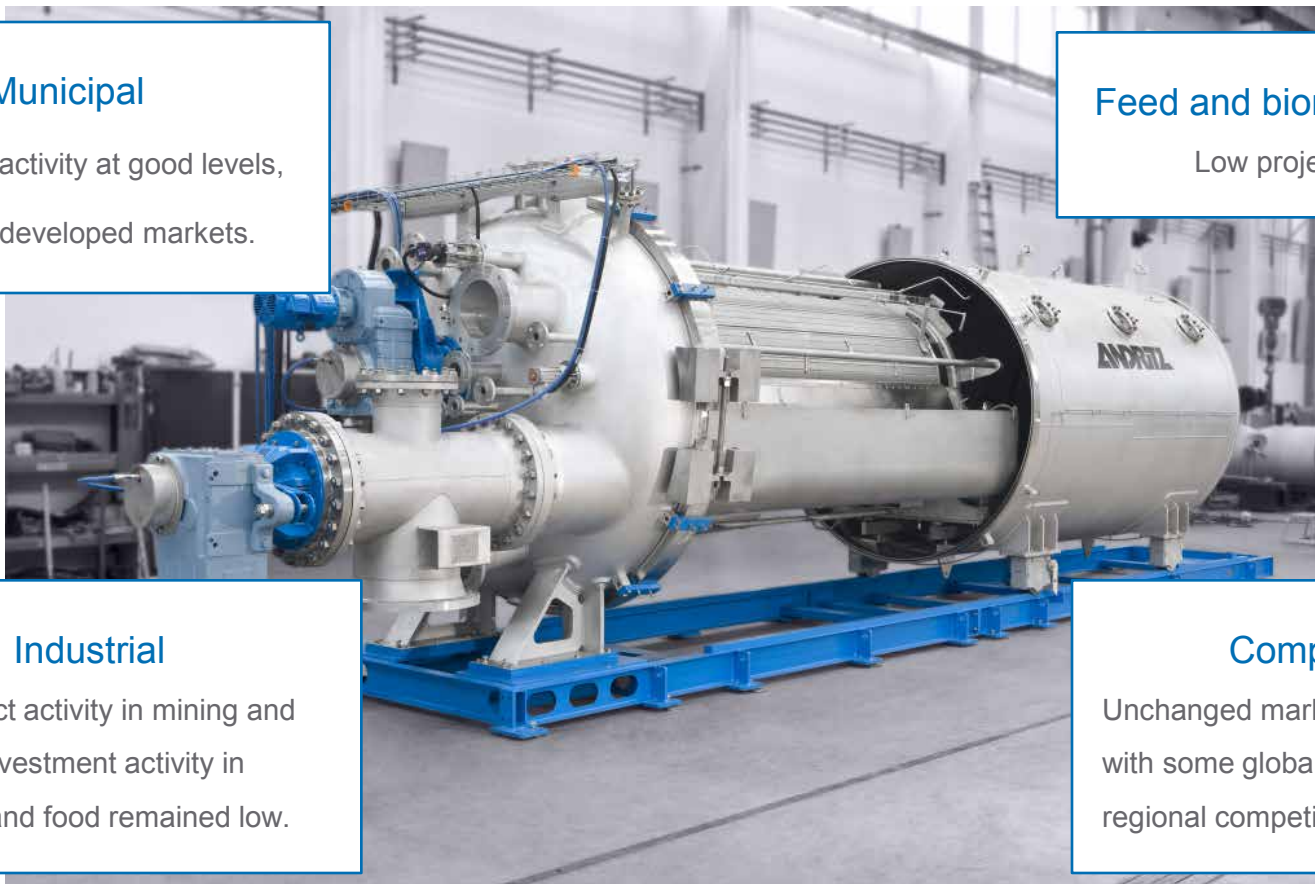
Low project activity.

Industrial

Good project activity in mining and minerals; investment activity in chemicals and food remained low.

Competition

Unchanged market environment with some global and many regional competitors.



▲ ANDRITZ pressure drum filter TDF for fine and, in particular, ultra fine-grained products.

SEPARATION (2)

Improved business development in solid/liquid separation

Upward trend of order intake for solid/liquid separation equipment continued in Q3; lower order intake in feed & biofuel

Improving profitability from very low level

	ANDRITZ Separation	Unit	Q1-Q3 2017	Q1-Q3 2016	+/-	Q3 2017	Q3 2016	+/-	2016
Order intake		MEUR	477.9	445.1	+7.4%	159.7	154.8	+3.2%	597.5
Order backlog (as of end of period)		MEUR	410.2	375.1	+9.4%	410.2	375.1	+9.4%	347.3
Sales		MEUR	412.8	415.3	-0.6%	141.6	145.4	-2.6%	593.8
EBITDA		MEUR	25.8	19.4	+33.0%	9.3	5.1	+82.4%	25.8
EBITDA margin		%	6.3	4.7	-	6.6	3.5	-	4.3
EBITA		MEUR	19.2	12.8	+50.0%	7.1	2.8	+153.6%	17.1
EBITA margin		%	4.7	3.1	-	5.0	1.9	-	2.9
Employees (as of end of period; without apprentices)		-	2,772	2,770	+0.1%	2,772	2,770	+0.1%	2,772

ORDER INTAKE by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



SALES by region Q1-Q3 2017 vs. Q1-Q3 2016 (%)



Unchanged guidance for 2017

Slight decrease in sales, but at least same profitability as in 2016

ANDRITZ Hydro

- Project activity for modernizations and new hydropower stations to remain at subdued level
- Satisfactory market activity for pumps to continue

Stable +/-

ANDRITZ Pulp & Paper

- Continued solid market environment in pulp, especially for modernization of existing plants; no greenfield order award expected until year-end
- Solid investment activity for tissue and packaging

Stable +

ANDRITZ Metals

- Unchanged low project activity in metalforming to continue; some order awards from the automotive industry expected for end of 2017/beginning of 2018
- Investment activity in METALS processing to remain at reasonable level

Stable +/-

ANDRITZ Separation

- Reasonable market activity in environment, mining and chemicals
- Low investment activity in food
- Slowly improving profitability

Stable +

ANDRITZ GROUP 2017E:

- Slight decrease in sales

- At least the same profitability (EBITA margin) as in 2016