

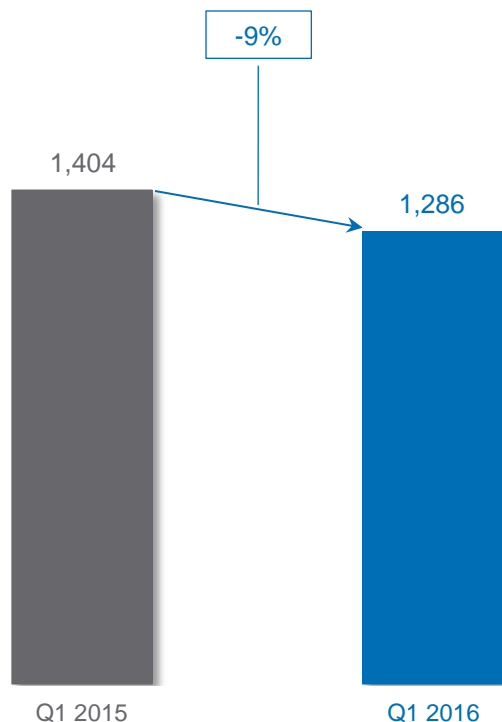


ANDRITZ GROUP: results for Q1 2016

May 4, 2016

Group sales down, mainly due to HYDRO and PULP & PAPER

SALES (MEUR)



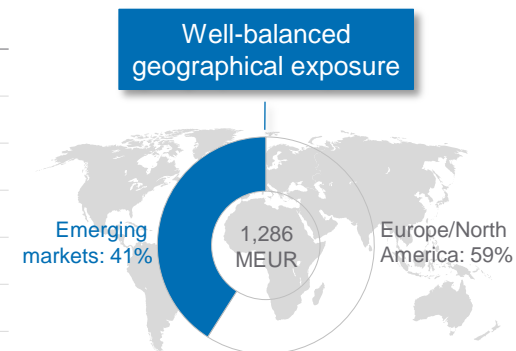
SALES by business area (MEUR)

	Q1 2016	Q1 2015	+/-
HYDRO	368	408	-10%
PULP & PAPER	458	481	-5%
METALS	333	377	-12%
SEPARATION	127	139	-8%

SALES by region (%)

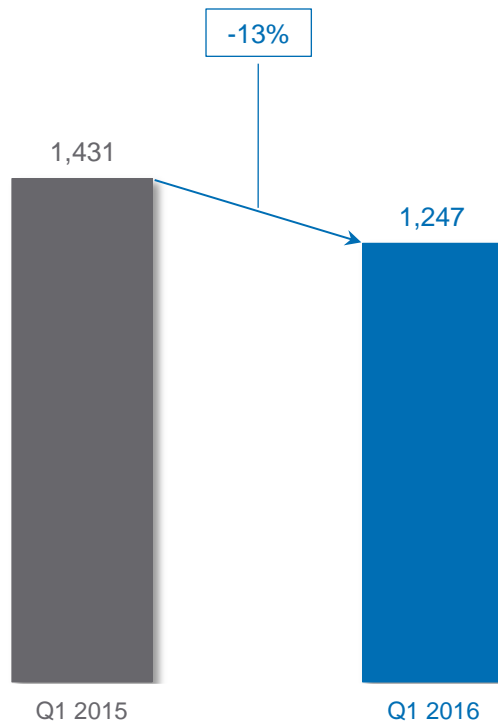
	Q1 2016	Q1 2015
Europe	37%	38%
North America	22%	19%
South America	14%	15%
Asia (ex. China)	12%	13%
China	10%	12%
Others*	5%	3%

* Africa and Australia



Group order intake down: Strong development in PULP & PAPER cannot offset decline in HYDRO and METALS

ORDER INTAKE (MEUR)



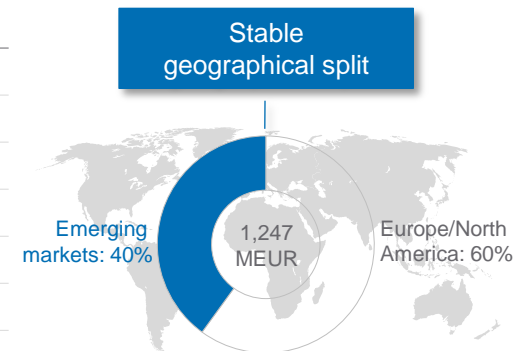
ORDER INTAKE by business area (MEUR)

	Q1 2016	Q1 2015	+/-
HYDRO	252	447	-44%
PULP & PAPER	546	462	+18%
METALS	299	385	-22%
SEPARATION	151	136	+10%

ORDER INTAKE by region (%)

	Q1 2016	Q1 2015
Europe	39%	40%
China	21%	15%
North America	21%	21%
Asia (ex. China)	9%	11%
South America	7%	11%
Others*	3%	2%

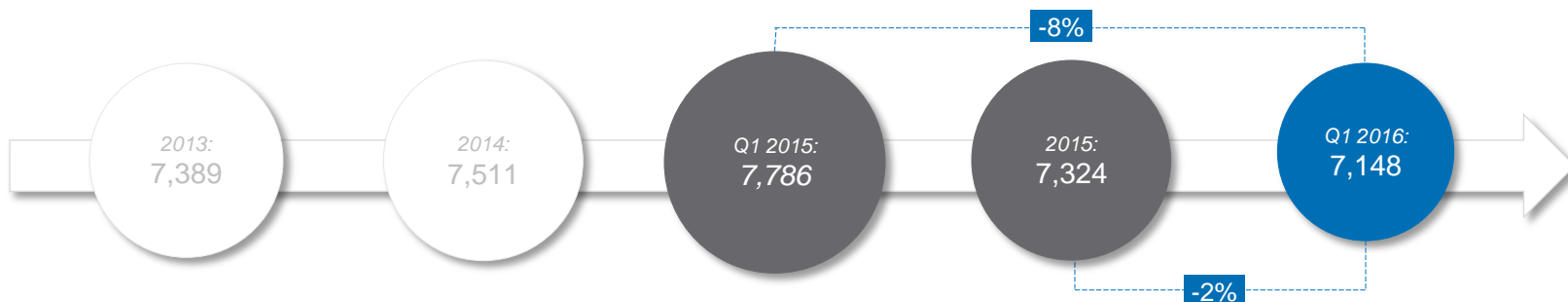
* Africa and Australia



Group order backlog

Slightly down compared to end of last year

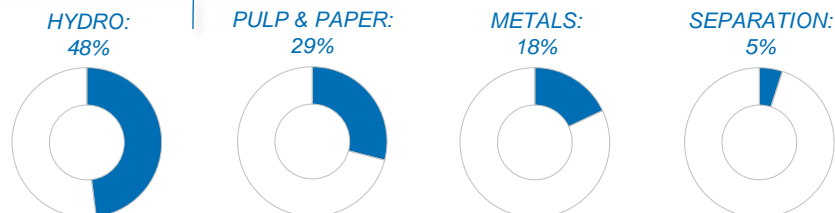
Order backlog (as of end of period in MEUR)



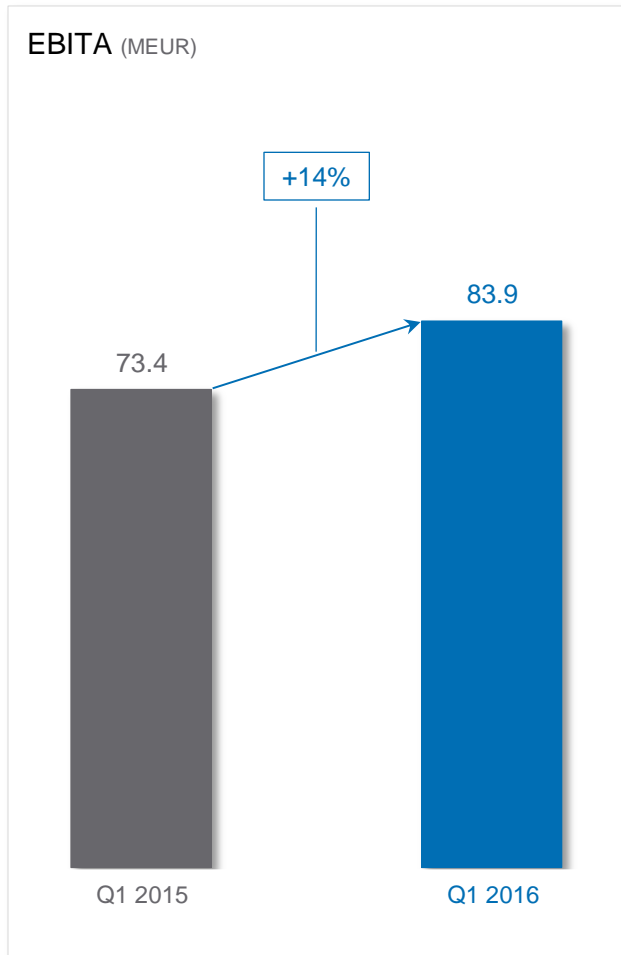
Order backlog by business area (as of end of period in MEUR)

	Q1 2016	Q1 2015	+/-
HYDRO	3,441	3,857	-11%
PULP & PAPER	2,045	1,920	+7%
METALS	1,291	1,623	-20%
SEPARATION	371	386	-4%

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



Earnings and profitability significantly up, especially in PULP & PAPER and HYDRO



- Despite decline in sales, EBITA increased to 83.9 MEUR (+14.3% vs. Q1 2015: 73.4 MEUR); EBITA margin at satisfactory level of 6.5% (Q1 2015: 5.2%).
- Significant improvement of profitability in PULP & PAPER (8.8%) due to increased share of service business; HYDRO also increased profitability to 6.4%.
- Profitability of METALS, at 5.2%, below last year's reference period due to earnings decline in the METALS ex Schuler segment; profitability of Schuler at good level, slightly up compared to Q1 2015.
- SEPARATION still at unsatisfactory level (2.1%) due to lower sales.

EBITA margin (%)



Key figures Q1 2016 at a glance

	Unit	Q1 2016	Q1 2015*	+/-	2015
Order intake	MEUR	1,247.4	1,430.6	-12.8%	6,017.7
Order backlog (as of end of period)	MEUR	7,147.6	7,785.6	-8.2%	7,324.2
Sales	MEUR	1,285.6	1,404.3	-8.5%	6,377.2
EBITDA	MEUR	106.7	96.1	+11.0%	534.7
EBITA	MEUR	83.9	73.4	+14.3%	429.0
EBIT	MEUR	74.2	61.5	+20.7%	369.1
EBT	MEUR	74.9	62.6	+19.6%	376.4
Financial result	MEUR	0.7	1.1	-36.4%	7.3
Net income (including non-controlling interests)	MEUR	52.6	43.8	+20.1%	270.4
Cash flow from operating activities	MEUR	167.5	37.2	+350.3%	179.4
Capital expenditure	MEUR	16.5	20.8	-20.7%	101.4
Equity ratio	%	19.2	16.8	-	21.0
Liquid funds	MEUR	1,574.7	1,610.2	-2.2%	1,449.4
Net liquidity	MEUR	1,107.0	1,114.2	-0.6%	984.0
Net working capital	MEUR	-401.2	-673.2	+40.4%	-182.1
EBITDA margin	%	8.3	6.8	-	8.4
EBITA margin	%	6.5	5.2	-	6.7
EBIT margin	%	5.8	4.4	-	5.8
Employees (as of end of period; without apprentices)	-	24,195	24,855	-2.7%	24,508

Strong development of operating cash flow

Net working capital back to normal level (compared to end of last year)

* Restated

HYDRO (1)

Project and investment activity remained at subdued level



MODERNIZATIONS/ REHABILITATIONS

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

Challenging market conditions for some selective projects

HYDRO (2)

Order intake and sales down, earnings and profitability up

Order intake significantly down due to subdued market activity and challenging market conditions for some selective projects

Despite sales drop satisfactory earnings development

	ANDRITZ Hydro	Unit	Q1 2016	Q1 2015	+/-	2015
Order intake		MEUR	252.0	447.0	-43.6%	1,718.7
Order backlog (as of end of period)		MEUR	3,440.6	3,857.1	-10.8%	3,640.9
Sales		MEUR	367.9	407.9	-9.8%	1,834.8
EBITDA		MEUR	31.5	28.0	+12.5%	183.6
EBITDA margin		%	8.6	6.9	-	10.0
EBITA		MEUR	23.7	19.9	+19.1%	145.3
EBITA margin		%	6.4	4.9	-	7.9
Employees (as of end of period; without apprentices)		-	7,786	8,467	-8.0%	8,230

PULP & PAPER (1)

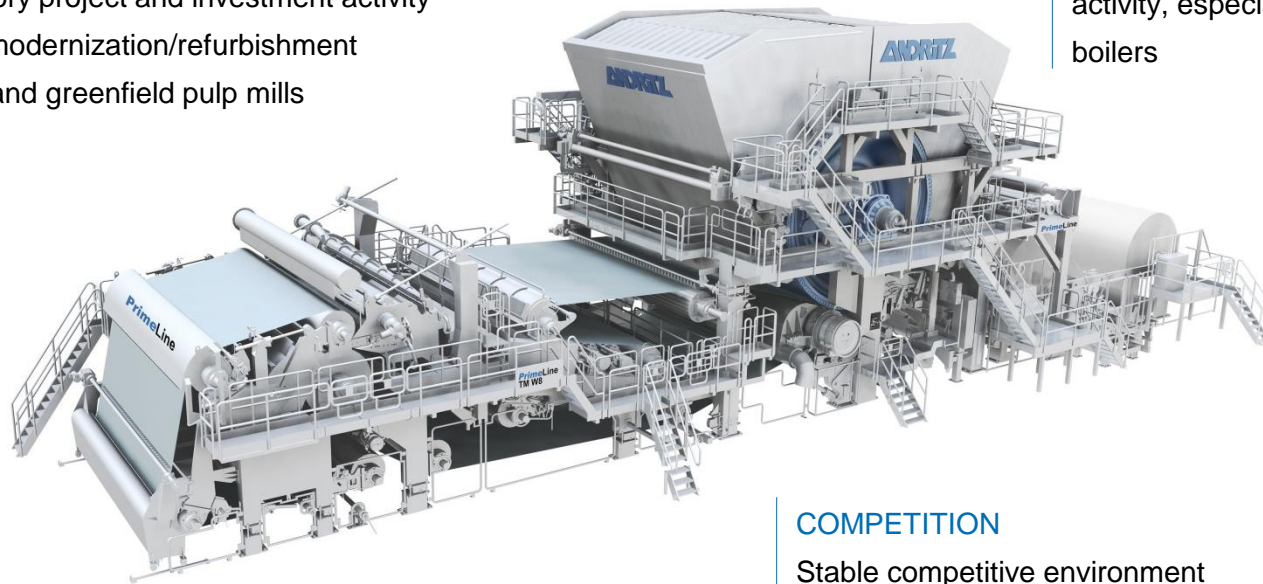
Satisfactory project and investment activity

MODERNIZATION AND GREENFIELD

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

BIOMASS/POWER BOILERS

Unchanged subdued investment activity, especially for power boilers



▲ The ANDRITZ PrimeLineST tissue machine

COMPETITION

Stable competitive environment

PULP & PAPER (2)

Favorable business development

	ANDRITZ Pulp & Paper	Unit	Q1 2016	Q1 2015	+/-	2015
Order intake significantly up due to good order development in both capital and service	Order intake	MEUR	545.6	462.4	+18.0%	2,263.9
	Order backlog (as of end of period)	MEUR	2,044.8	1,920.3	+6.5%	1,998.6
Sales slightly down	Sales	MEUR	457.6	480.5	-4.8%	2,196.3
	EBITDA	MEUR	46.4	33.6	+38.1%	214.8
	EBITDA margin	%	10.1	7.0	-	9.8
Favorable earnings development due to increase of share of service sales	EBITA	MEUR	40.2	27.8	+44.6%	190.9
	EBITA margin	%	8.8	5.8	-	8.7
	Employees (as of end of period; without apprentices)	-	7,516	7,158	+5.0%	7,324

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



▲ Presses with the new TwinServo Technology (TST) from Schuler have fundamentally changed the world of presses

METALFORMING

Several investment decisions postponed;
generally low project activity

STAINLESS STEEL

Unchanged low project activity,
only selective investments in emerging markets

ALUMINUM

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

COMPETITION


Stable competition at challenging level

METALS (2)

Subdued business development

Order intake significantly below the level of Q1 2015, mainly due to postponements of investment decisions in the automotive industry

Earnings down due to lower sales as well as unsatisfactory development in the METALS ex Schuler segment; Schuler at unchanged satisfactory profitability level

		Unit	Q1 2016	Q1 2015	+/-	2015
Order intake		MEUR	299.3	384.9	-22.2%	1,438.6
Order backlog (as of end of period)		MEUR	1,291.3	1,622.6	-20.4%	1,332.5
Sales		MEUR	333.0	377.1	-11.7%	1,718.1
EBITDA		MEUR	23.9	28.2	-15.2%	104.8
EBITDA margin		%	7.2	7.5	-	6.1
EBITA		MEUR	17.3	21.8	-20.6%	70.5
EBITA margin		%	5.2	5.8	-	4.1
Employees (as of end of period; without apprentices)		-	6,158	6,407	-3.9%	6,160

SEPARATION (1)

Mixed market development

ENVIRONMENT AND CHEMICALS

Satisfactory investment activity

MINING AND MINERALS

Low project activity

FOOD

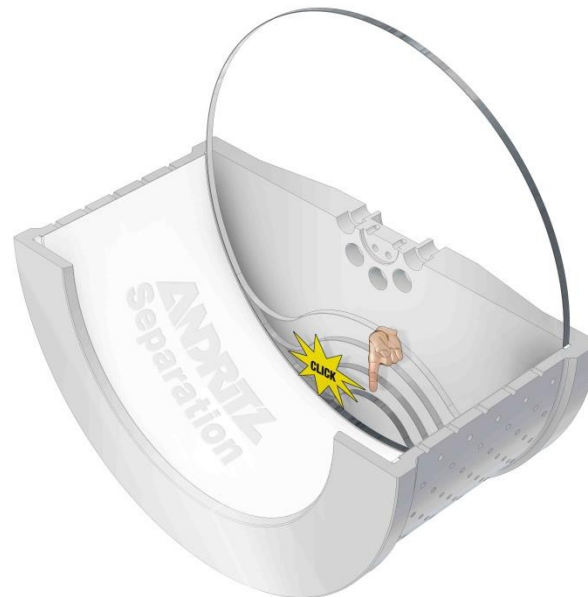
Solid project activity

FEED AND BIOMASS PELLETTING

Unchanged good project activity

COMPETITION

Very fragmented market with global and regional competitors



▲ ANDRITZ SEPARATION SmartFIX is a new filter cloth fastening system for filter centrifuges, enabling a reduction of both maintenance time and costs by up to 50%, performance improvement, and maximum safety for high-pressure applications.



▲ ANDRITZ RheoScan is the world's first patented, optical measurement system for belt presses and gravity belt tables, enabling a reduction of up to 40% in polymer costs.

SEPARATION (2)

Lower sales impact profitability

	ANDRITZ Separation	Unit	Q1 2016	Q1 2015	+/-	2015
Increase in order intake mainly driven by environment and chemicals sectors; feed & biofuel stable	Order intake	MEUR	150.5	136.3	+10.4%	596.5
	Order backlog (as of end of period)	MEUR	370.9	385.6	-3.8%	352.2
Sales down compared to Q1 2015	Sales	MEUR	127.1	138.8	-8.4%	628.0
	EBITDA	MEUR	4.9	6.3	-22.2%	31.5
	EBITDA margin	%	3.9	4.5	-	5.0
As a consequence of lower sales, earnings and margins down	EBITA	MEUR	2.7	3.9	-30.8%	22.3
	EBITA margin	%	2.1	2.8	-	3.6
	Employees (as of end of period; without apprentices)	-	2,735	2,823	-3.1%	2,794

Outlook for remainder of 2016

Stable market conditions

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 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 2016E vs. 2015:

- Slight decrease of Group sales
- Solid development of profitability