

## Press release

### ANDRITZ GROUP: Results for the first half of 2017

**Graz, August 4, 2017.** International technology Group ANDRITZ saw satisfactory business development in the first half of 2017. The key financial figures developed as follows:

- Sales amounted to 2,779.0 MEUR in the first half of 2017 and were thus at practically the same level as in the previous year's reference period (+0.6% compared to H1 2016: 2,761.2 MEUR). Sales in the second quarter of 2017 dropped by 5.6% compared to the previous year to 1,392.8 MEUR (Q2 2016: 1,475.6 MEUR).
- The order intake increased – due to the very strong first quarter – in the first half of 2017 to 2,771.3 MEUR and was thus 8.0% higher than in the previous year's reference period (H1 2016: 2,566.4 MEUR). The PULP & PAPER business area, in particular, achieved a substantial increase in order intake that more than compensated the decline in order intake in the HYDRO business area. In the second quarter of 2017, the order intake of 1,211.3 MEUR was 8.2% below the level of the previous year's reference period (Q2 2016: 1,319.0 MEUR). The reason for this decrease was the lower order intake due to market conditions in the HYDRO business area and a decline in the metal forming sector, which achieved an extraordinarily high order intake in the previous year's reference period.
- The order backlog as of June 30, 2017, amounted to 6,849.1 MEUR (+0.9% compared to December 31, 2016: 6,789.2 MEUR).
- The EBITA in the first half of 2017 was positively impacted by a one-off effect in the amount of around 25 MEUR, which resulted mainly from the sale of Schuler's technical center in Tianjin, China; it reached 207.3 MEUR and was thus significantly higher than the figure for the previous year's reference period (+13.3% compared to H1 2016: 183.0 MEUR). As a result, profitability (EBITA margin) increased to 7.5% (H1 2016: 6.6%). Excluding this one-off effect, profitability would have remained unchanged compared to the previous year at 6.6%. In the second quarter of 2017, the EBITA amounted to 109.9 MEUR (+10.9% compared to Q2 2016: 99.1 MEUR).
- The net income (without non-controlling interests) increased in the first half of 2017 to 130.8 MEUR (H1 2016: 120.2 MEUR).

Wolfgang Leitner, President & CEO of ANDRITZ AG: *"We are satisfied overall with developments in the first half of the year, even though we were not able to reach all our targets in our business areas. As far as the markets we serve are concerned, we do not expect any substantial changes in project and investment activity for the remainder of the year."*

For the 2017 business year, ANDRITZ has revised its sales forecast slightly and now expects a marginal decline in sales compared to 2016. From today's perspective, profitability (EBITA margin) should at least reach the solid level of the previous year.

– End –

**Press release for download**

The press release is available for download at the ANDRITZ web site: [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 approximately 25,400 employees. ANDRITZ operates over 250 sites worldwide.

**Annual and financial reports**

The annual reports and financial reports of the ANDRITZ GROUP are available as PDF for download at [www.andritz.com](http://www.andritz.com). Printed copies can be requested by e-mail to [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

	Unit	H1 2017	H1 2016	+/-	Q2 2017	Q2 2016	+/-	2016
<b>Sales</b>	MEUR	<b>2,779.0</b>	<b>2,761.2</b>	<b>+0.6%</b>	<b>1,392.8</b>	<b>1,475.6</b>	<b>-5.6%</b>	<b>6,039.0</b>
HYDRO	MEUR	724.6	807.3	-10.2%	368.7	439.4	-16.1%	1,752.4
PULP & PAPER	MEUR	990.9	980.4	+1.1%	482.2	522.8	-7.8%	2,094.4
METALS	MEUR	792.3	703.6	+12.6%	394.8	370.6	+6.5%	1,598.4
SEPARATION	MEUR	271.2	269.9	+0.5%	147.1	142.8	+3.0%	593.8
<b>Order intake</b>	MEUR	<b>2,771.3</b>	<b>2,566.4</b>	<b>+8.0%</b>	<b>1,211.3</b>	<b>1,319.0</b>	<b>-8.2%</b>	<b>5,568.8</b>
HYDRO	MEUR	514.0	591.4	-13.1%	204.5	339.4	-39.7%	1,500.3
PULP & PAPER	MEUR	1,124.9	916.0	+22.8%	471.6	370.4	+27.3%	1,919.5
METALS	MEUR	814.2	768.7	+5.9%	371.5	469.4	-20.9%	1,551.5
SEPARATION	MEUR	318.2	290.3	+9.6%	163.7	139.8	+17.1%	597.5
Order backlog (as of end of period)	MEUR	6,849.1	7,076.3	-3.2%	6,849.1	7,076.3	-3.2%	6,789.2
EBITDA	MEUR	253.5	229.6	+10.4%	132.8	122.9	+8.1%	542.4
EBITDA margin	%	9.1	8.3	-	9.5	8.3	-	9.0
EBITA	MEUR	207.3	183.0	+13.3%	109.9	99.1	+10.9%	442.1
EBITA margin	%	7.5	6.6	-	7.9	6.7	-	7.3
Earnings Before Interest and Taxes (EBIT)	MEUR	185.4	163.0	+13.7%	98.5	88.8	+10.9%	385.8
Financial result	MEUR	3.5	8.8	-60.2%	0.1	8.1	-98.8%	12.6
Earnings Before Taxes (EBT)	MEUR	188.9	171.8	+10.0%	98.6	96.9	+1.8%	398.4
Net income (without non- controlling interests)	MEUR	130.8	120.2	+8.8%	67.8	67.7	+0.1%	274.6
Cash flow from operating activities	MEUR	81.5	200.6	-59.4%	-66.2	33.1	-300.0%	366.6
Capital expenditure	MEUR	55.9	44.8	+24.8%	26.9	28.3	-4.9%	119.5
Employees (as of end of period; without apprentices)	-	25,390	25,737	-1.3%	25,390	25,737	-1.3%	25,162

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 euros. EUR = euros.