INTERIM FINANCIAL REPORT

FIRST QUARTER 2017

ANDRITZ

KEY FINANCIAL FIGURES OF THE ANDRITZ GROUP

	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	1,560.0	1,247.4	+25.1%	5,568.8
Order backlog (as of end of period)	MEUR	6,974.2	7,147.6	-2.4%	6,789.2
Sales	MEUR	1,386.2	1,285.6	+7.8%	6,039.0
Return on sales	%	6.3	5.8	-	6.4
EBITDA	MEUR	120.7	106.7	+13.1%	542.4
EBITA[1)]	MEUR	97.4	83.9	+16.1%	442.1
Earnings Before Interest and Taxes (EBIT)	MEUR	86.9	74.2	+17.1%	385.8
Earnings Before Taxes (EBT)	MEUR	90.3	74.9	+20.6%	398.4
Net income (including non-controlling interests)	MEUR	63.1	52.6	+20.0%	274.8
Net income (without non-controlling interests)	MEUR	63.0	52.5	+20.0%	274.6
Cash flow from operating activities	MEUR	147.7	167.5	-11.8%	366.6
Capital expenditure	MEUR	29.0	16.5	+75.8%	119.5
Employees (as of end of period; without apprentices)	-	25,247	24,195	+4.3%	25,162
Non-current assets	MEUR	1,900.9	1,772.4	+7.3%	1,913.7
Current assets	MEUR	4,333.8	3,960.7	+9.4%	4,284.9
Total shareholders' equity	MEUR	1,255.9	1,100.6	+14.1%	1,344.2
Non-current liabilities	MEUR	1,292.0	1,260.5	+2.5%	1,306.1
Current liabilities	MEUR	3,686.8	3,372.0	+9.3%	3,548.3
Total assets	MEUR	6,234.7	5,733.1	+8.7%	6,198.6
Equity ratio	%	20.1	19.2	-	21.7
Return on equity	%	7.2	6.8	-	29.6
Return on investment	%	1.4	1.3	-	6.2
Liquid funds	MEUR	1,613.0	1,574.7	+2.4%	1,507.1
Net liquidity	MEUR	1,061.0	1,107.0	-4.2%	945.3
Net debt	MEUR	-666.9	-724.3	+7.9%	-550.2
Net working capital	MEUR	-254.1	-401.2	+36.7%	-215.8
Capital employed	MEUR	729.7	492.0	+48.3%	772.2
Gearing	%	-53.1	-65.8	+19.3%	-40.9
EBITDA margin	%	8.7	8.3	-	9.0
EBITA margin	%	7.0	6.5	-	7.3
EBIT margin	%	6.3	5.8	-	6.4
Net income/sales	%	4.6	4.1	-	4.6
Depreciation and amortization/sales	%	2.4	2.5	-	2.4

1) Identifiable assets acquired in a business combination and recognized separately from goodwill amount to of 10,432 TEUR (Q1 2016: 9,751 TEUR; 2016: 41,913 TEUR); impairment of goodwill amounts to 0 TEUR (Q1 2016: 0 TEU; 2016: 14,379 TEUR).
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, TEUR = thousand euros.

KEY FINANCIAL FIGURES OF THE BUSINESS AREAS

HYDRO

	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	309.5	252.0	+22.8%	1,500.3
Order backlog (as of end of period)	MEUR	3,184.3	3,440.6	-7.4%	3,269.6
Sales	MEUR	355.9	367.9	-3.3%	1,752.4
EBITDA	MEUR	29.1	31.5	-7.6%	167.2
EBITDA margin	%	8.2	8.6	-	9.5
EBITA	MEUR	22.1	23.7	-6.8%	127.6
EBITA margin	%	6.2	6.4	-	7.3
Employees (as of end of period; without apprentices)	-	7,270	7,786	-6.6%	7,260

PULP & PAPER

	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	653.3	545.6	+19.7%	1,919.5
Order backlog (as of end of period)	MEUR	1,979.4	2,044.8	-3.2%	1,803.3
Sales	MEUR	508.7	457.6	+11.2%	2,094.4
EBITDA	MEUR	52.6	46.4	+13.4%	207.7
EBITDA margin	%	10.3	10.1	-	9.9
EBITA	MEUR	46.3	40.2	+15.2%	182.2
EBITA margin	%	9.1	8.8	-	8.7
Employees (as of end of period; without apprentices)	-	7,672	7,516	+2.1%	7,522

METALS

	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	442.7	299.3	+47.9%	1,551.5
Order backlog (as of end of period)	MEUR	1,423.6	1,291.3	+10.2%	1,369.0
Sales	MEUR	397.5	333.0	+19.4%	1,598.4
EBITDA	MEUR	31.0	23.9	+29.7%	141.7
EBITDA margin	%	7.8	7.2	-	8.9
EBITA	MEUR	23.2	17.3	+34.1%	115.2
EBITA margin	%	5.8	5.2	-	7.2
Employees (as of end of period; without apprentices)	-	7,517	6,158	+22.1%	7,608

SEPARATION

	Unit	Q1 2017	Q1 2016	+/-	2016
Order intake	MEUR	154.5	150.5	+2.7%	597.5
Order backlog (as of end of period)	MEUR	386.9	370.9	+4.3%	347.3
Sales	MEUR	124.1	127.1	-2.4%	593.8
EBITDA	MEUR	8.0	4.9	+63.3%	25.8
EBITDA margin	%	6.4	3.9	-	4.3
EBITA	MEUR	5.8	2.7	+114.8%	17.1
EBITA margin	%	4.7	2.1	-	2.9
Employees (as of end of period; without apprentices)	-	2,788	2,735	+1.9%	2,772

MANAGEMENT REPORT

GENERAL ECONOMIC CONDITIONS

The world's most important economic regions saw mixed development in the first quarter of 2017. While the USA continued its solid economic growth and Europe's economy showed further signs of slight recovery during the reporting period, economic activity in the relevant emerging economies remained at a comparatively moderate level.

In the USA, the solid economic growth of the previous year continued. Driven by the continued strong private consumption, which contributes around 70% of the gross national product, the unemployment rate reached a level of approximately 4.7%. Due to this sustained economic upswing, the US Federal Reserve (FED) increased the key interest rate – as expected – by 0.25%-points to a range between 0.75 and 1.0% in mid-March.

The economy in Europe noted an upswing during the reporting period, especially Germany and France showing strong economic growth. Due to a solid labor market, robust exports, and brisk construction activity, the EU commission expects growth in all EU countries for 2017 and an increase of 1.8% in the gross national product for Europe. Inflation increased to 2.0% as a result of the increase of oil prices, however core inflation remained at just below 1.0%. As a result, the ECB left the key interest rate at its record low level of 0.0%.

Growth in the main emerging economies remained unchanged at a moderate level during the reporting period. The Chinese economy saw a mixed start into the new year. While industrial production and investments were better than expected since the beginning of the year, retail sales were disappointing. China targets economic growth of 6.5% for 2017, which continues to be significantly below the growth achieved during the boom years.

Brazil still remains in the deepest recession since the 1930s. In view of the economic stagnation, the Brazilian central bank lowered the key interest rate substantially in the previous quarter. The Brazilian government intends fighting the recession with a massive investment and privatization program. After years of recession, the Russian economy is gradually gaining momentum again, however this recovery is starting from a very low level.

Source: Research reports by various banks, OECD

MARKET DEVELOPMENT

HYDRO

Global investment and project activity for electromechanical equipment for hydropower plants remained at a subdued level during the first quarter of 2017 – some projects were awarded selectively in Europe and Asia. Due to the unchanged, difficult market conditions impacted by low electricity and energy prices, many modernization and refurbishment projects were postponed until further notice, especially in Europe. In the emerging markets, particularly in Asia, Africa, and South America, some new hydropower projects are currently in the planning phase. Satisfactory project activity was noted for pumps.

PULP & PAPER

The international pulp market showed positive development in the first quarter of 2017. Driven by a rising demand overall for pulp – particularly from Chinese paper producers – accompanied by a stable supply, the price of short-fiber pulp (eucalyptus) increased from around 650 USD per ton as at the end of December 2016 to approximately 720 USD per ton as of the end of March 2017. The price for NBSK (Northern Bleached Softwood Kraft Pulp) long-fiber pulp also increased slightly from around 810 USD per ton at the end of December 2016 to approximately 830 USD per ton at the end of March 2017. Overall, the market for pulping equipment showed satisfactory project activity, particularly for modernization of existing pulp mills.

METALS

In the metal forming sector for the automotive and automotive supplying industry (market segment of Schuler), the first quarter of 2017 showed satisfactory project and investment activity overall; some important orders were awarded by international automotive suppliers. Project and investment activity in the market segment – the Chinese automotive supplying industry – served by Yadon also saw favorable development.

Project activity for equipment for the production and processing of stainless and carbon steel strip recovered to some extent during the reporting period from the very low levels of the past few years. The main driver for new investments in new plants, especially in Asia and North America, were increasing commodity prices. Project and investment activity in the aluminum sector has improved slightly as well. However, competition in the steel industry remains challenging.

SEPARATION

Investment and project activity on the global market for solid/liquid separation equipment during the reporting period remained unchanged compared to 2016. While project activity in the environmental and mining sectors was satisfactory, demand from the food and chemical industries continued to be low. In the animal feed industry, project activity for conventional and special feed remained solid.

BUSINESS DEVELOPMENT

Notes

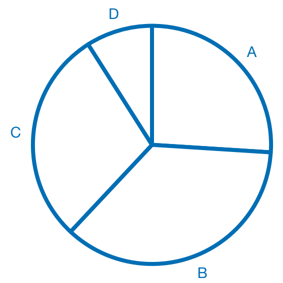
- All figures according to IFRS
- Due to the utilization of automatic calculation programs, differences can arise in the addition of rounded totals and percentages.
- MEUR = million euros; TEUR = thousand euros

Sales

Sales of the ANDRITZ GROUP amounted to 1,386.2 MEUR in the first quarter of 2017 and were thus 7.8% higher than the low figure for the previous year's reference period (Q1 2016: 1,285.6 MEUR). While sales in the HYDRO and SEPARATION business areas declined slightly compared to the previous year's reference figure, PULP & PAPER noticed a significant increase in sales, as did the METALS business area mainly due to the acquisition of Yadon and AWEBA. Both companies were not included in the previous year's reference period and contributed well above 40 MEUR to sales. The business areas' sales development at a glance:

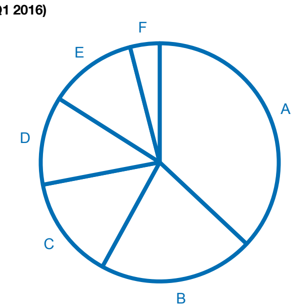
	Unit	Q1 2017	Q1 2016	+/-
HYDRO	MEUR	355.9	367.9	-3.3%
PULP & PAPER	MEUR	508.7	457.6	+11.2%
METALS	MEUR	397.5	333.0	+19.4%
SEPARATION	MEUR	124.1	127.1	-2.4%

Sales by business area
Q1 2017 in %
(Q1 2016)



A	26	(28)	HYDRO
B	36	(36)	PULP & PAPER
C	29	(26)	METALS
D	9	(10)	SEPARATION

Sales by region
Q1 2017 in %
(Q1 2016)



A	37	(37)	Europe
B	21	(22)	North America
C	14	(10)	China
D	12	(12)	Asia (without China)
E	12	(14)	South America
F	4	(5)	Africa, Australia

Share of service sales of Group and business area sales in %

	Q1 2017	Q1 2016
ANDRITZ GROUP	34	34
HYDRO	28	28
PULP & PAPER	41	42
METALS	24	23
SEPARATION	53	51

Order intake

The order intake of the Group, at 1,560.0 MEUR, saw a favorable development in the first quarter of 2017 and was thus 25.1% higher than the very low reference figure for the previous year (Q1 2016: 1,247.4 MEUR). The business areas' development in detail:

- HYDRO: In a continuing relatively difficult market environment, the order intake rose to 309.5 MEUR, which is an increase of 22.8% compared to the very low figure for the previous year's reference period (Q1 2016: 252.0 MEUR).

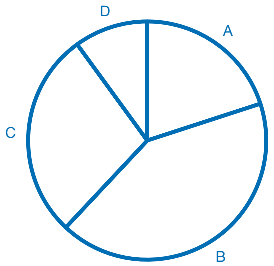
- PULP & PAPER: The order intake developed satisfactory both for capital and service business and amounted to 653.3 MEUR during the reporting period. This is an increase of 19.7% compared to the reference figure of the previous year (Q1 2016: 545.6 MEUR), which included a larger order.

- METALS: At 442.7 MEUR, order intake saw positive development (+47.9% versus Q1 2016: 299.3 MEUR). The order intake increased significantly compared to the previous year in both the metalforming sector (market segment of Schuler) and the metal processing sector. The two acquisitions Yadon and AWEBA, which were not included in the previous year's reference period, contributed well above 50 MEUR to the order intake in the reporting period.

- SEPARATION: Order intake amounted to 154.5 MEUR and was thus practically at the same level as for the previous year's reference period (+2.7% versus Q1 2016: 150.5 MEUR).

Order intake by business area
Q1 2017 in %

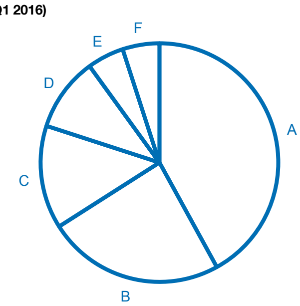
(Q1 2016)



A	20	(20)	HYDRO
B	42	(44)	PULP & PAPER
C	28	(24)	METALS
D	10	(12)	SEPARATION

Order intake by region
Q1 2017 in %

(Q1 2016)



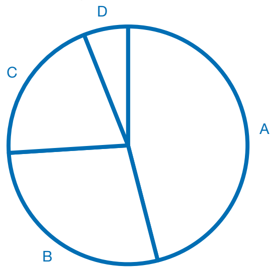
A	42	(39)	Europe
B	24	(21)	North America
C	14	(21)	China
D	10	(9)	Asia (without China)
E	5	(7)	South America
F	5	(3)	Africa, Australia

Order backlog

As of March 31, 2017, the order backlog of the ANDRITZ GROUP amounted to 6,974.2 MEUR (+2.7% versus December 31, 2016: 6,789.2 MEUR).

Order backlog by business area
as of March 31, 2017 in %

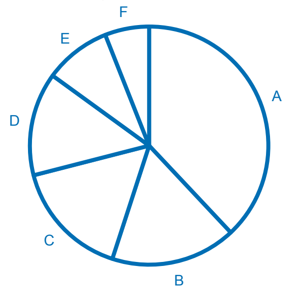
(December 31, 2016)



A	46	(48)	HYDRO
B	28	(27)	PULP & PAPER
C	20	(20)	METALS
D	6	(5)	SEPARATION

Order backlog by region
as of March 31, 2017 in %

(December 31, 2016)



A	38	(34)	Europe
B	17	(17)	North America
C	16	(19)	Asia (without China)
D	14	(14)	China
E	9	(10)	South America
F	6	(6)	Africa, Australia

Earnings

Group earnings saw favorable development in the first quarter of 2017. At 97.4 MEUR, the EBITA was 16.1% higher than the figure for the previous year's reference period (Q1 2016: 83.9 MEUR) and thus increased more than sales. Profitability (EBITA margin) increased to 7.0% (Q1 2016: 6.5%). This positive development is mainly due to the PULP & PAPER, METALS, and SEPARATION business areas, which achieved an increase in profitability compared to last year's reference period. Development by business area:

- In the HYDRO business area, the decrease in sales led to a slight decline in earnings and profitability – the EBITA margin, at 6.2%, was slightly below the figure for the previous year's reference period (Q1 2016: 6.4%).
- In the PULP & PAPER business area, earnings increased somewhat more than sales, resulting in an increase in profitability to 9.1%, which is slightly above the high figure for the previous year's reference period (Q1 2016: 8.8%). Profitability in the capital business saw favorable development.
- The EBITA margin in the METALS business area increased to 5.8% (Q1 2016: 5.2%), which is mainly due to a significant improvement in profitability in the metals processing sector.
- In the SEPARATION business area, the EBITA margin increased to 4.7% (Q1 2016: 2.1%).

The financial result increased significantly to 3.4 MEUR (Q1 2016: 0.7 MEUR). This increase mainly results from a significant improvement in the other financial result, which rose substantially compared to the previous year's reference period as a result of the valuation of intercompany loans and bank balances in foreign currencies (FX) on balance sheet date.

Net income (including non-controlling interests) amounted to 63.1 MEUR (+20.0% versus Q1 2016: 52.6 MEUR), 63.0 MEUR of which (Q1 2016: 52.5 MEUR) are attributable to the shareholders of the parent company and 0.1 MEUR (Q1 2016: 0.0 MEUR) to non-controlling interests.

Net worth position and capital structure

The net worth position and capital structure as of March 31, 2017 remained solid. Total assets amounted to 6,234.7 MEUR (December 31, 2016: 6,198.6 MEUR). The equity ratio reached 20.1% (December 31, 2016: 21.7%).

Liquid funds amounted to 1,613.0 MEUR (December 31, 2016: 1,507.1 MEUR), net liquidity amounted to 1,061.0 MEUR (December 31, 2016: 945.3 MEUR).

In addition to the high liquidity, the ANDRITZ GROUP also had the following credit and surety lines for performance of contracts, down payments, guarantees, and so on, at its disposal:

- Credit lines: 270 MEUR, thereof 183 MEUR utilized
- Surety lines: 6,314 MEUR, thereof 3,193 MEUR utilized

Assets

A	Long-term assets: 30%	1,900.9 MEUR
B	Short-term assets: 45%	2,785.8 MEUR
C	Cash and cash equivalents and marketable securities: 25%	1,548.0 MEUR

Shareholders' equity and liabilities

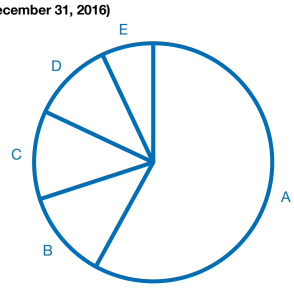
A	Shareholders' equity incl. non-controlling interests: 20%	1,255.9 MEUR
B	Financial liabilities: 9%	565.4 MEUR
C	Other long-term liabilities: 13%	813.7 MEUR
D	Other short-term liabilities: 58%	3,599.7 MEUR

Employees

As of March 31, 2017, the number of ANDRITZ GROUP employees amounted to 25,247 (December 31, 2016: 25,162 employees).

Employees by region as of March 31, 2017 in %

(December 31, 2016)



A	**58**	(59)	Europe
B	**12**	(12)	China
C	**12**	(12)	South America
D	**11**	(11)	North America
E	**7**	(6)	Asia (without China), Africa, Australia

Major risks during the remaining months of the financial year

General risks

The ANDRITZ GROUP is a globally-operating company serving a large variety of industrial markets and customers. As such, the Group is subject to certain general and industry-specific risks. The active risk management implemented by the ANDRITZ GROUP for many years now serves both to safeguard the company's existence in the long term as well as to increase its value and is thus an essential success factor for the entire Group. For the purposes of value-oriented company management, risk management is an integral part of the business processes and extends over all strategic and operative levels.

ANDRITZ has a Group-wide control and steering system (ICS) whose main task is to identify nascent risks at an early stage and – if possible – to take countermeasures. This system is an important element of active corporate management. However, there is no guarantee that these monitoring and risk control systems are effective enough.

For further information on possible corporate risks and the internal controlling and risk management system, please refer to the ANDRITZ annual financial report 2016.

Current risks

The continuing difficult overall economic development (particularly in Europe and individual emerging markets) presents a serious risk for the financial development of the ANDRITZ GROUP. The economic impact of the United Kingdom (UK) leaving the European Union (EU) cannot be estimated at the moment, but could have a negative effect on economic growth in Europe and worldwide according to market and financial experts. If economic growth in Europe drops significantly as a result of the UK leaving the EU, this could have a negative impact on the business development of the ANDRITZ GROUP because Europe is the most important economic region for the Group, accounting for an average of 35-40% of its total sales. However, the ANDRITZ GROUP's direct business volume in the UK can be categorized as very small.

The medium- to long-term effects that the Trump administration will have on the global economy cannot be estimated at the current point of view. ANDRITZ has a very strong local presence in the USA, with over 20 production and service locations and over 1,700 employees. All four business areas are represented in the USA. From today's perspective, the effects on ANDRITZ should thus be minor. However, if other regulatory measures are implemented by the Trump administration that have negative consequences for non-American companies, the effects on ANDRITZ may well be considerable.

The continuing weakness of economical development in Brazil, China, and Russia may have a negative impact in individual business areas and, subsequently, on the Group's business development.

Impact of exchange rate fluctuations

Fluctuations in exchange rates in connection with execution of the order backlog are largely hedged by forward exchange contracts and swaps. Net currency exposure of orders in foreign currencies is hedged by forward contracts. Exchange rate risks resulting from the recognition of equity are not hedged.

Changes in the exchange rate of the euro against many other currencies could have both a positive and a negative impact on the shareholders' equity as well as on the sales and earnings development of the ANDRITZ GROUP (translation effect).

INFORMATION PURSUANT TO ARTICLE 87 (4) OF THE (AUSTRIAN) STOCK EXCHANGE ACT

No major business transactions were conducted with related persons and companies during the reporting period.

IMPORTANT EVENTS AFTER THE BALANCE SHEET DATE

There were no important events after the balance sheet date.

OUTLOOK

Economic experts expect sustained positive development in the general economic environment in the coming months. The global economy is continuing its slow recovery. In 2017, the world's economy is expected to grow by around 3.3%.

The prospects for the ANDRITZ business areas remain largely unchanged compared to the previous quarter. A continuing difficult environment is expected in the HYDRO business area. Many modernization projects, particularly in Europe, are still postponed or stopped temporarily. Some larger, new hydropower projects, particularly in Southeast Asia and Africa, are currently being planned, but award of these projects is expected only in the medium to long term. A solid market environment is expected for the PULP & PAPER business area despite somewhat weaker project activity in South America. Unchanged satisfactory project activity is also expected for the METALS business area. For the SEPARATION business area, a continuation of the moderate market development is anticipated.

Based on the results for the first quarter of 2017, the ANDRITZ GROUP expects satisfactory business development for the 2017 business year with at least stable sales and stable profitability compared to the previous year.

However, if – contrary to general expectations – the global economy suffers setbacks in the next few months, this could have a negative impact on ANDRITZ's business development. This may lead to organizational and capacity adjustments and, as a result, to financial provisions that could have a negative effect on the ANDRITZ GROUP's earnings.

HYDRO

IMPORTANT EVENTS

The third 65-MW Pelton unit for Kashang hydropower station, India, was successfully commissioned. ANDRITZ HYDRO already supplied two 65-MW Pelton units in 2015. The construction of the hydropower plant was financed by the Asian Development Bank. In future, Kashang hydropower station will supply 294 GWh of renewable energy to the Indian power grid.

In Switzerland, the partial modernization of Francis units 3 and 4 at Mühleberg hydropower plant was successfully completed. Now this hydropower station supplies again electricity for 30,000 Swiss households.

ANDRITZ HYDRO renewed and modernized parts of the generator and related equipment for the 800-MW Shisanling underground pumped storage power station in China.

The two 145-MW Francis units at Xekaman 1 hydropower plant, Lao People's Democratic Republic, were successfully commissioned in record time of only 33 months. A large part of the electricity generated is exported directly to Vietnam in order to cover the growing demand for electricity there.

IMPORTANT ORDERS

ANDRITZ HYDRO received an order from the state utility company Ukrhydroenergo, Ukraine, to modernize Dnipro 1 hydropower station on the Dnieper River. The project is part of the rehabilitation program financed by the European Bank for Reconstruction and Development (EBRD). ANDRITZ HYDRO's scope of supply includes the complete rehabilitation of three 75-MW Francis units and generators. Dnipro 1 was the first hydropower plant on the Dnieper River, built between 1927 and 1932. The upgrade will increase the output by 17% as well as substantially enhance the plant's reliability and safety. Completion of the project is scheduled for the end of 2021.

Kalehan Genc Enerji Üretim A.S., selected ANDRITZ HYDRO, as part of a consortium, to supply, erect, and commission three 186-MVA generators in the new Lower Kaleköy hydropower station, Turkey. The power station is part of the privately financed hydropower cascade along the Murat River in Eastern Turkey whereas Beyhan-1 hydropower plant is in operation and Upper Kaleköy hydropower plant is currently under construction. The project has an overall output of 500 MW and will supply 1,200 GWh of electricity annually, providing important support to the Turkish energy network. Commissioning of the plant is scheduled until March 2020.

Efacec, Portugal, selected ANDRITZ HYDRO to supply and commission the complete equipment for four Compact Axial turbines (CAT) at Luachimo hydropower station, Angola. Besides the existing power plant building, a new powerhouse is to be built for the entire future energy supply. The existing powerhouse will then be closed down. Thus, the overall output of the hydropower plant will be almost quadrupled, increasing from 10 to approximately 36 MW. Commercial operation is scheduled to start in the first half of 2019.

ANDRITZ HYDRO received an order from Energie Steiermark, Austria, to supply the electromechanical equipment for the new hydropower plant to be built in the Puntigam district of Graz. ANDRITZ HYDRO will supply two bulb turbines (capacity: 2 x 9 MW), generators, and auxiliary equipment, The power station will be equipped with fish ladders and will supply clean, renewable energy for around 20,000 households. Commissioning is planned for the first half of 2019.

The business area will supply the complete electromechanical equipment for the small hydropower plants Ranney Falls, Canada, and Nam Ban 3, Vietnam.

ANDRITZ HYDRO received an order from the Chilean utility Colbún S.A. to modernize two butterfly valves at Colbún hydropower station.

Fiji Electricity Authority, Fiji, selected ANDRITZ HYDRO to refurbish and modernize four units at Wailoa hydropower station.

The business area was selected to supply ten pumps (vertical line shaft pumps) for Xi'an Yongpeng Machinery, Vietnam.

PULP & PAPER

IMPORTANT EVENTS

OKI Pulp & Paper Mills, Indonesia, started up the new ANDRITZ HERB recovery boiler and woodyard with nine new chipping lines. With a black liquor firing capacity of 11,600 tons of dry solids per day, this HERB's capacity is about 50% larger than any other recovery boiler in operation today worldwide.

Riikinvoima Oy, Finland, started up the first waste-to-energy power plant with CFB boiler in Varkaus. In Stockholm, Sweden, Fortum Värme AB started up the largest biomass boiler in the country. Both power boilers are provided with the latest ANDRITZ technology and innovative design features.

Hengan Group, China, started up its 12th ANDRITZ tissue machine in Chongqing, China. The scope of supply included the complete stock preparation plant and automation. Also in China, Stora Enso Packaging started up a complete wood handling line for a greenfield mechanical pulp plant and board machine in Beihai.

Akinal Sentetik Tekstil, Turkey, started up a complete Wetlace™ line delivered by ANDRITZ. It is Akinal's first production line for its new generation of flushable fabrics named BioFlush®, which are dispersible and biodegradable, and is thus accessing new markets.

IMPORTANT ORDERS

Nine Dragons Paper (Holdings) Ltd. ordered five Powerfluid CFB boilers for the utilization of in-house residual materials for its mills in Taicang, Quanzhou, Dongguan, Yongxin, and Chongqing in China. Only waste from recycling of waste paper (rejects, sludges) undergoes thermal processing, and the high-pressure steam produced is used to generate electricity or supply the Nine Dragons paper mills with process steam. The delivery is based on EPS.

ANDRITZ received an order from Sun Paper Holding Lao Co. Ltd. to supply main production technologies and equipment for a new pulp mill located in the city of Xepon, Lao People's Democratic Republic. Start-up is expected in mid-2018. The main reasons for Sun Paper to select ANDRITZ as supplier of main technologies for its new pulp mill were both the positive experience from previous joint projects and the state-of-the-art technologies supplied by ANDRITZ to ensure reliable operation and high availability of the pulp mill. Both companies have been business partners for many decades.

Sappi, South Africa, selected ANDRITZ to upgrade the lime kiln and recausticizing plant at its Ndogwana mill.

Burgo Avezzano, Italy, selected ANDRITZ to convert its PM2, a printing and white writing paper machine, and its approach system into a modern, brown packaging paper machine. ANDRITZ will also supply a new stock preparation line. After full conversion, PM2 will have an annual production capacity of over 200,000 tons, with a design speed of 1,200 m/min and a paper width on the reel of 5,340 mm.

Södra Cell, Sweden, selected the business area to upgrade its lime kiln to a modern LimeFlash kiln. This upgrade will increase capacity as well as lowering dust emissions.

Billerud Körsnäs, Sweden, selected the business area to modernize the brownstock washing process in the fiberline. The scope of supply includes a new DD-Washer, four medium-consistency (MC) pumps, and a pulp screw press.

In the panelboard sector, the business area received orders from Zhangzhou Zhongfu New Material, China, Jiangsu Ranxin Wood Industry, China, and from S.P.B. Panel Industries, Thailand, to supply new pressurized refining sytems.

METALS

IMPORTANT EVENTS

Daimler, Germany, successfully started up two Schuler laser blanking lines at its Kuppenheim location. The two lines intended for series production of compact vehicles can be set to a different blanking cut at the push of a button. The contours are programmed offline. This programming can be simulated in order to optimize the output.

Outokumpu Stainless Oy, Finland, certified the successful exchange of a mixed acid pickling section at its Tornio works. The equipment supplied by ANDRITZ METALS passed the availability test run with a failure rate of 0.0%.

Outokumpu Group, Finland, optimized the production portfolio of individual locations with its large NIFO-Flex project. As part of this project, the former WL2 (annealing and pickling line) in Krefeld, Germany, supplied by ANDRITZ METALS was converted to a BL1600 pickling line. The scope of supply included the complete mechanical strip transport equipment, the modernization of some existing machines, the new pickle section, the electrical and automation equipment, as well as installation and start-up.

The business area received the acceptance certificate from International Steels Ltd., Pakistan, for the acid regeneration plant. It is the first plant using the new ECOmode, which increases the plant capacity and saves up to 25% in energy. The scope of supply also included hardware components and additional instrumentation. The complete savings are being monitored and shared equally between ANDRITZ METALS and the customer for a period of five years. A stand-alone automation system including a sophisticated process model allows the customer to control all process parameters and also maximize energy efficiency.

Chung Hung Steel Corporation, Taiwan, signed the acceptance certificate for the revamping of a tension-leveling line in Kaohsiung. ANDRITZ METALS successfully exchanged the 30-year old control system, including the complete wiring. The revamping resulted in increased and stable production, full control of production parameters, and integrated product quality management.

IMPORTANT ORDERS

A North American automotive industry supplier awarded Schuler a large order to deliver a total of 15 monoblock and tie-rod presses. The machines with a pressing force of 4,000 to 20,000 kilonewtons will be used at locations in the USA and Mexico.

Schuler received several orders to supply forging lines to China. An automotive industry supplier ordered four presses with a pressing force between 8,000 and 20,000 kilonewtons. Another line (20,000 kilonewtons pressing force) and a spindle press were ordered by two companies in the forging industry.

A US car manufacturer ordered an optical centering station with line scanner. It scans the exact position of a blank as the blank passes underneath it. On the basis of this information, the centering robot that follows can align the blank optimally for subsequent forming in a press.

ANDRITZ has received an order from steel producer Nucor to supply turn-key production lines for its new speciality cold rolling mill complex at the company's sheet steel mill in Hickman, Arkansas, USA. The 650,000 short ton p.a. expansion project will increase Nucor Steel Hickman's production of specialty grades, including third-generation, advanced high-strength steels, high-strength low-alloy steels, and high-efficiency electrical steels. The ANDRITZ METALS scope of supply includes a high-performance push-pickling line with line speeds of up to 200 m/min for pickling hot-rolled carbon steel. Besides complete ANDRITZ in-house electrics and automation, an advanced ANDRITZ multi-roll leveler for highly effective shape correction and a powerful ANDRITZ 4-high skin pass mill are included. The order also comprises a reduction cold-rolling mill equipped with the ANDRITZ S6-high technology as well as a temper rolling mill in 4-high design, including reduction mode (prepared for future S6-high mode as well). Start-up of the plant is scheduled for the second half of 2018.

ArcelorMittal Tailored Blank Americas, USA, selected the business area to supply fully automatic ablation and welding systems, types Soublate and Soutrac, for its new facility near Detroit. The production of tailored blanks will be dedicated to supplying hot-stamped door rings coated with aluminum silicon (AlSi) for future US and Japanese vehicles manufactured in America. This technology sets a benchmark for other OEMs who are designing and developing a new car body generation to comply with new crash and CO_2 regulations.

RIZHAO Baohua New Material Co., China, awarded ANDRITZ METALS the order to supply a third large acid regeneration plant now that the first and second have proven their capabilities. These systems are the world's largest spray-roast HCl regeneration plants, each with a capacity of 20m^3/hour.

SEPARATION

IMPORTANT EVENTS

ANDRITZ SEPARATION has launched three major R&D projects: a Dynamic Jet Cooker system for better digestibility of baby food, a quick knife exchange system that will save time for the customer as well as a remote electric gap setting system for the applicator rolls to handle adjustments automatically, both for drum dryers.

ANDRITZ SEPARATION successfully concluded an R&D project for faster discharge of filter cake. With this innovation, the discharge time of the filter press will be reduced by up to 50% and a capacity increase will be achieved.

IMPORTANT ORDERS

An Australian gold and copper producer selected the business area to supply a decanter centrifuge, machine controller, and spare parts. The challenge was to increase the capacity of the plant by adding dewatering capabilities because the existing system of hydrocyclones and vacuum belt filters could not produce the required amount of dewatered tailings for backfilling operations.

In Jordan, a potash producer processing salt from the Dead Sea ordered another decanter centrifuge. The long-term cooperation with this customer facilitated the joint process development work on existing machines, leading to increased capacity, more reliable performance, and lower maintenance outlay.

A major producer of coking and energy coal in Russia placed an order for five vacuum disc filters, continuing the company's successful relationship with ANDRITZ. The client was looking for a solution offering low moisture, high throughput, and lower solids content in the filtrate. The new generation of ANDRITZ filters meets all these criteria and more, ensuring that there is no loss of sellable products in the filtrate in addition to enhanced capacity.

For a customer in Brazil, the business area will supply two vacuum belt filters, auxiliary equipment, and spare parts, as well as complete assembly and commissioning. The exclusive vacuum box lifting system, which guarantees shorter maintenance time and better phosphoric acid recovery, convinced the customer to opt for a complete solution from ANDRITZ SEPARATION.

Several orders for decanters were received in France, China, and the USA, highlighting ANDRITZ's global excellent reputation for decanters in the municipal waste water sector.

An olive oil producer in Spain ordered ten disc separators. The low maintenance costs, high reliability, and outstanding separation performance were decisive in ANDRITZ receiving the order. Several separators for dairy applications were sold in Italy and the UK along with the first pharma separator in India. Also in the food industry, a starch producer in Thailand ordered four siphon peeler centrifuges for producing modified tapioca starch.

Several orders for animal feed and aqua feed processing lines as well as for pelleting and extrusion equipment were received from customers in Europe, Asia, North America, and South America. In the biomass pelleting sector, orders were received from customers in Asia and the USA.

CONSOLIDATED INCOME STATEMENT

For the first quarter of 2017 (unaudited)

(in TEUR)	Q1 2017	Q1 2016
Sales	**1,386,222**	**1,285,636**
Changes in inventories of finished goods and work in progress	52,477	20,821
Capitalized cost of self-constructed assets	2,428	731
	1,441,127	**1,307,188**
Other operating income	33,867	37,806
Cost of materials	-729,220	-642,709
Personnel expenses	-426,762	-409,938
Other operating expenses	-198,343	-185,647
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	**120,669**	**106,700**
Depreciation, amortization, and impairment of intangible assets and of property, plant, and equipment	-33,725	-32,546
Earnings Before Interest and Taxes (EBIT)	**86,944**	**74,154**
Result from associated companies	-323	-71
Interest income	10,604	8,779
Interest expenses	-9,407	-7,777
Other financial result	2,506	-181
Financial result	**3,380**	**750**
Earnings Before Taxes (EBT)	**90,324**	**74,904**
Income taxes	-27,224	-22,340
NET INCOME	**63,100**	**52,564**
Thereof attributable to:		
Shareholders of the parent	62,960	52,539
Non-controlling interests	140	25
Weighted average number of no-par value shares	102,060,216	102,137,551
Basic earnings per no-par value share (in EUR)	0.62	0.51
Effect of potential dilution of share options	93,936	0
Weighted average number of no-par value shares and share options	102,154,152	102,137,551
Diluted earnings per no-par value share (in EUR)	0.62	0.51

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the first quarter of 2017 (condensed, unaudited)

(in TEUR)	Q1 2017	Q1 2016
NET INCOME	**63,100**	**52,564**
Items that may be reclassified to profit or loss:		
Currency translation adjustments of foreign operations	-1,455	-18,467
Result from available-for-sale financial assets, net of tax	1,355	-3,591
Result from cash flow hedges, net of tax	658	2,921
Items that will not be reclassified to profit or loss:		
Actuarial gains/losses, net of tax	0	0
OTHER COMPREHENSIVE INCOME	**558**	**-19,137**
TOTAL COMPREHENSIVE INCOME	**63,658**	**33,427**
Thereof attributable to:		
Shareholders of the parent	63,551	33,735
Non-controlling interests	107	-308

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of March 31, 2017 (unaudited)

(in TEUR)	March 31, 2017	December 31, 2016
ASSETS		
Intangible assets	190,401	201,253
Goodwill	562,733	563,427
Property, plant, and equipment	793,353	786,688
Shares in associated companies	6,473	6,830
Other investments	101,590	100,652
Trade accounts receivable	11,571	14,431
Other receivables and assets	50,751	52,922
Deferred tax assets	184,016	187,528
Non-current assets	**1,900,888**	**1,913,731**
Inventories	800,368	736,889
Advance payments made	112,524	105,709
Trade accounts receivable	755,148	840,138
Cost and earnings of projects under construction in excess of billings	670,198	726,307
Other receivables and assets	381,842	404,402
Receivables from current taxes	35,597	35,557
Marketable securities	118,337	110,796
Cash and cash equivalents	1,429,635	1,296,336
Assets held for sale	30,207	28,723
Current assets	**4,333,856**	**4,284,857**
TOTAL ASSETS	**6,234,744**	**6,198,588**
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	104,000	104,000
Capital reserves	36,476	36,476
Retained earnings	1,092,250	1,187,027
Equity attributable to shareholders of the parent	**1,232,726**	**1,327,503**
Non-controlling interests	23,177	16,728
Total shareholders' equity	**1,255,903**	**1,344,231**
Bonds	357,543	359,325
Bank loans and other financial liabilities	102,318	118,433
Obligations under finance leases	18,442	18,880
Provisions	597,819	586,534
Other liabilities	112,203	118,595
Deferred tax liabilities	103,706	104,300
Non-current liabilities	**1,292,031**	**1,306,067**
Bank loans and other financial liabilities	85,915	78,922
Obligations under finance leases	1,196	1,384
Trade accounts payable	466,008	499,737
Billings in excess of cost and earnings of projects under construction	1,138,356	1,117,963
Advance payments received	275,666	256,690
Provisions	523,257	532,317
Liabilities for current taxes	91,790	101,056
Other liabilities	1,096,217	958,072
Liabilities relating to assets held for sale	8,405	2,149
Current liabilities	**3,686,810**	**3,548,290**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**6,234,744**	**6,198,588**

CONSOLIDATED STATEMENT OF CASH FLOWS

For the first quarter of 2017 (unaudited)

(in TEUR)	Q1 2017	Q1 2016
Earnings Before Taxes (EBT)	**90,324**	**74,904**
Interest result	-1,197	-1,002
Depreciation, impairment losses, and reversals of impairment losses of fixed and financial assets	33,725	32,546
Result from associated companies	323	71
Changes in provisions	114	-10,532
Gains/losses from the disposal of fixed and financial assets	-155	-1,150
Other non-cash income/expenses	1,654	-3,382
Gross cash flow	**124,788**	**91,455**
Changes in inventories	-69,078	-24,033
Changes in advance payments made	-7,528	4,215
Changes in receivables	84,096	57,299
Changes in cost and earnings of projects under construction in excess of billings	59,241	86,078
Changes in advance payments received	18,496	-29,906
Changes in liabilities	-48,471	-129,028
Changes in billings in excess of cost and earnings of projects under construction	19,559	136,235
Change in net working capital	**56,315**	**100,860**
Interest received	13,183	6,273
Interest paid	-12,594	-6,576
Taxes paid	-33,954	-24,514
CASH FLOW FROM OPERATING ACTIVITIES	**147,738**	**167,498**
Payments received for asset disposals (including financial assets)	1,263	1,660
Payments made for intangible assets and for property, plant, and equipment	-30,958	-20,329
Payments made for non-current financial assets	-111	-1,402
Payments received for securities and other current financial assets	44,337	26,022
Payments made for securities and other current financial assets	-17,246	-16,581
CASH FLOW FROM INVESTING ACTIVITIES	**-2,715**	**-10,630**
Repurchase of own corporate bonds	0	-2,947
Cash receipts from other financial liabilities	7,711	12,302
Repayments of other financial liabilities	-22,251	-10,126
Purchase of non-controlling interests and payments to former shareholders	-793	0
Dividends paid to non-controlling and former interest holders	-4	-490
Purchase of treasury shares	0	-10,723
CASH FLOW FROM FINANCING ACTIVITIES	**-15,337**	**-11,984**
CHANGES IN CASH AND CASH EQUIVALENTS	**129,686**	**144,884**
Changes in cash and cash equivalents resulting from exchange rate fluctuation	4,838	-5,683
Effect of changes in consolidated group on cash and cash equivalents	279	0
Cash and cash equivalents of assets classified as held for sale	-1,504	0
Cash and cash equivalents at the beginning of the period	1,296,336	1,255,746
Cash and cash equivalents at the end of the period	1,429,635	1,394,947

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the first quarter of 2017 (unaudited)

	Attributable to shareholders of the parent								Non-controlling interests	Total shareholders' equity
(in TEUR)	Share capital	Capital reserves	Other retained earnings	IAS 39 reserve	Actuarial gains/ losses	Currency trans- lation adjustments	Treasury shares	Total		
STATUS AS OF JANUARY 1, 2016	**104,000**	**36,476**	**1,144,880**	**48,932**	**-70,534**	**2,852**	**-68,573**	**1,198,033**	**17,543**	**1,215,576**
Net income			52,539					52,539	25	52,564
Other comprehensive income				-768		-18,036		-18,804	-333	-19,137
Total comprehensive income			**52,539**	**-768**		**-18,036**		**33,735**	**-308**	**33,427**
Dividends			-137,802					-137,802	-490	-138,292
Changes in treasury shares							-10,723	-10,723		-10,723
Changes concerning share option programs			612					612		612
Changes in consolidation type			11					11		11
STATUS AS OF MARCH 31, 2016	**104,000**	**36,476**	**1,060,240**	**48,164**	**-70,534**	**-15,184**	**-79,296**	**1,083,866**	**16,745**	**1,100,611**
STATUS AS OF JANUARY 1, 2017	**104,000**	**36,476**	**1,287,232**	**47,685**	**-82,133**	**14,416**	**-80,173**	**1,327,503**	**16,728**	**1,344,231**
Net income			62,960					62,960	140	63,100
Other comprehensive income				1,991		-1,400		591	-33	558
Total comprehensive income			**62,960**	**1,991**		**-1,400**		**63,551**	**107**	**63,658**
Dividends			-153,090					-153,090	-4	-153,094
Changes concerning share option programs			1,136					1,136		1,136
Transactions with non-controlling interests			-5,393			-1,746		-7,139	6,346	-793
Changes in consolidation type			765					765		765
Other changes										
STATUS AS OF MARCH 31, 2017	**104,000**	**36,476**	**1,193,610**	**49,676**	**-82,133**	**11,270**	**-80,173**	**1,232,726**	**23,177**	**1,255,903**

DECLARATION PURSUANT TO ATRICLE 87 (1) OF THE (AUSTRIAN) STOCK EXCHANGE ACT

We hereby confirm that, to the best of our knowledge, the condensed interim financial statements of the ANDRITZ GROUP drawn up in compliance with the applicable accounting standards provide a true and fair view of the asset, financial, and earnings positions of the ANDRITZ GROUP, and that the management report provides a true and fair view of the asset, financial, and earnings positions of the ANDRITZ GROUP with regard to the important events of the first three months of the financial year and their impact on the condensed interim financial statements of the ANDRITZ GROUP, and with regard to the major risks and uncertainties during the remaining nine months of the financial year, and also with regard to the major business transactions subject to disclosure and concluded with related persons and companies.

Graz, May 2017

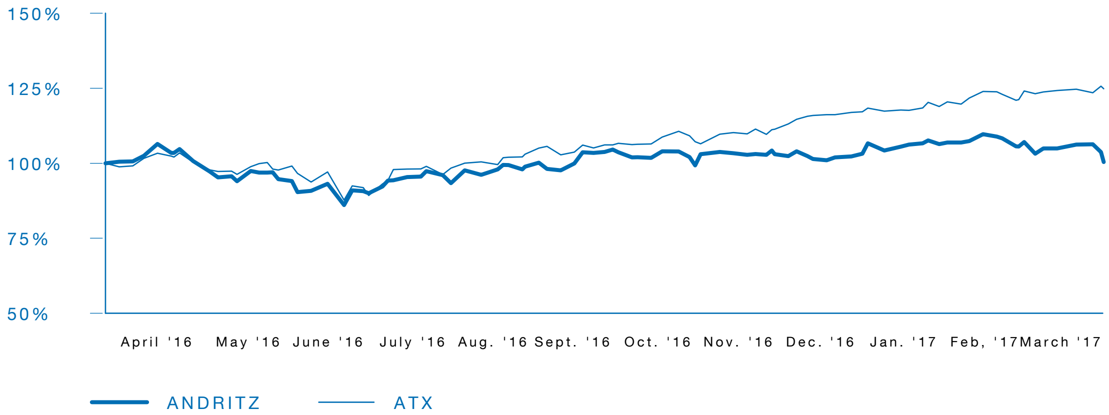
The Executive Board of ANDRITZ AG

Wolfgang Leitner	Humbert Köfler	Joachim Schönbeck	Wolfgang Semper	Mark von Laer
President and CEOr	PULP & PAPER (Service & Units), SEPARATION	PULP & PAPER (Capital Systems), METALS	HYDRO	CFO

SHARE

SHARE

RELATIVE PRICE PERFORMANCE OF THE ANDRITZ SHARE COMPARED TO THE ATX (APRIL 1, 2016 - MARCH 31, 2017)



Share price development

During the reporting period, the international financial markets were characterized by the continuing uncertainty with regard to the effects of the economic decisions made by the Trump administration and the beginning of Brexit negotiations between the United Kingdom and the European Union. In this environment, the ANDRITZ share price decreased by 1.7% in the first quarter of 2017. The ATX, the leading share index on the Vienna Stock Exchange, however, showed an increase of 8.0% over the same period due to the sharp increase in bank stocks, which have a high weighting in the ATX. The highest closing price of the ANDRITZ share was 51.36 EUR (February 16, 2017), and the lowest closing price was 46.89 EUR (March 31, 2017).

Trading volume

The average daily trading volume of the ANDRITZ share (double count, as published by the Vienna Stock Exchange) was 270,892 shares in the first quarter of 2017 (Q1 2016: 428,844 shares). The highest daily trading volume of 950,926 shares was noted on March 17, 2017, and the lowest daily trading volume of 75,130 shares on January 2, 2017.

Annual General Meeting

The 110th Annual General Meeting of ANDRITZ AG on March 28, 2017 agreed to a dividend payment of 1.50 EUR per share for the 2016 business year. This is an increase of 11.1% compared to the previous year (2015: 1.35 EUR per share) and equal to a payout ratio of 55.8% (2015: 51.9%).

Christian Nowotny, Chairman of the Supervisory Board of ANDRITZ AG, was re-elected to the Supervisory Board for the maximum period stipulated in the Articles of Association (i.e. until the end of the Annual General Meeting deciding on the discharge for the 2021 business year). Christian Nowotny was appointed member of the Supervisory Board of ANDRITZ AG in December 1999 and has been Chairman of the Supervisory Board since March 2014.

Investor Relations

During the first quarter of 2017, meetings with institutional investors and financial analysts were held in Atlanta, Baltimore, Frankfurt, Seattle, Toronto, and Zürs.

Key figures of the ANDRITZ share

	Unit	Q1 2017	Q1 2016	2016
Highest closing price	EUR	51.36	49.21	49.70
Lowest closing price	EUR	46.89	38.69	38.69
Closing price (as of end of period)	EUR	46.89	48.26	47.70
Market capitalization (as of end of period)	MEUR	4,876.0	5,018.5	4,960.3
Performance	%	-1.7	+11.2	+5.9
ATX weighting (as of end of period)	%	8.0018	10.7611	9.0018
Average daily number of shares traded	Share unit	270,892	428,844	317,558

Basic data of the ANDRITZ share

ISIN code	AT0000730007
First listing day	June 25, 2001
Types of shares	no-par value shares, bearer shares
Total number of shares	104 million
Authorized capital	none
Free float	< 70%
Stock exchange	Vienna (Prime Market)
Ticker symbols	Reuters: ANDR.VI; Bloomberg: ANDR, AV
Stock exchange indices	ATX, ATX five, ATX Global Players, ATX Prime, WBI

Financial calender 2017 and 2018 (preliminary)

May 4, 2017	Results for the first quarter of 2017
August 4, 2017	Results for the first half of 2017
November 3, 2017	Results for the first three quarters of 2017
March 2, 2018	Results for the 2017 business year
March 13, 2018	Record date Annual General Meeting
March 23, 2018	Annual General Meeting
March 27, 2018	Ex-dividend
March 28, 2018	Record date dividend
March 29, 2018	Dividend payment
May 3, 2018	Results for the first quarter of 2018
August 2, 2018	Results for the first half of 2018
November 6, 2018	Results for the first three quarters of 2018

The financial calendar with updates, as well as information on the ANDRITZ share, can be found on the Investor Relations page at the ANDRITZ web site: www.andritz.com/share.

GLOSSARY

ATX
Austrian Traded Index, the leading stock market index of the Vienna stock exchange.

ATX-weighting
Weighting of the ANDRITZ share according to the calculation of the Vienna stock exchange. This weighting is based on the market capitalization of public free float.

Average number of shares traded
Number of shares which is on average traded per day by using the double count method as published by the Vienna Stock Exchange.

Capital employed
Net working capital plus intangible assets and property, plant, and equipment.

Capital expenditure
Additions to intangible assets and property, plant and equipment.

Dividend per share
Part of earnings per share which is distributed to shareholders.

Earnings per share
Net income (without non-controlling interests)/weighted average number of no-par value shares.

EBIT
Earnings before interest and taxes.

EBITA
Earnings before interest, taxes, amortization of identifiable assets acquired in a business combination and recognized separately from goodwill and impairment of goodwill.

EBITDA
Earnings before interest, taxes, depreciation, and amortization.

EBT
Earnings before taxes.

Employees
Number of employees without apprentices.

Equity ratio
Total shareholders' equity/total assets.

Gearing
Net debt/total shareholders' equity.

HY
Business area HYDRO.

Liquid funds
Cash and cash equivalents plus marketable securities plus loans against borrowers' notes.

Market capitalization
Number of shares outstanding multiplied by the closing price of the ANDRITZ share.

ME
Business area METALS.

MEUR
Million euros.

Net debt
Interest bearing liabilities including provisions for severance payments, pensions, and jubilee payments less cash and cash equivalents, marketable securities and loans against borrowers' notes.

Net liquidity
Liquid funds plus fair value of interest rate swaps less financial liabilities.

Net working capital
Non-current receivables plus current assets (excluding marketable securities, cash and cash equivalents as well as loans against borrowers' notes) less other non-current liabilities and current liabilities (excluding financial liabilities and provisions).

Order backlog
The order backlog consists of present customer orders at the balance sheet date. Basically it is calculated by the order backlog at the beginning of the period plus new order intake during the period less sales during the period.

Order intake
The order intake is the estimated order sales which have already been put into effect considering changes and corrections of the order value; letter of intents are not part of the order intake.

Payout ratio
Part of net income which is distributed to shareholders. It is calculated as dividend per share/earnings per share.

Performance of the ANDRITZ share
Relative change of the ANDRITZ share since the beginning of the year.

PP
Business area PULP & PAPER.

Return on equity
Earnings before taxes/total shareholder's equity.

Return on investment
Earnings before interest and taxes/total assets.

Return on sales
Earnings before interest and taxes/sales.

ROE
ROE (Return On Equity): Net income/total shareholder's equity.

SE

Business area SEPARATION.

Sureties

These sureties contain bid bonds, contract performance guarantees, downpayment guarantees, as well as performance and warranty bonds at the expense of the ANDRITZ GROUP.

TEUR

Thousand euros.

Total shareholders' equity

Total shareholders' equity including non-controlling interests.

Contact and publishers's note
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