Results for the first three quarters of 2009

November 6, 2009

Highlights in Q1-Q3 2009 and in Q3 2009

Solid development despite unchanged weak market conditions

Decline in sales

- **Sales** in Q3 2009 decreased to 756.1 MEUR (-14.9% vs. Q3 2008: 888.9 MEUR). Significant increase in HYDRO – decline in the other business areas, especially PULP & PAPER.
- Group sales in Q1-Q3 2009 amounted to 2,330.2 MEUR (-8.2% vs. Q1-Q3 2008: 2,538.9 MEUR).

Solid development of order intake in Q3 2009 – continued good order backlog

- **Order intake** in Q3 2009 increased to 842.2 MEUR (+9.1% vs. Q3 2008: 771.7 MEUR). Good development in PULP & PAPER and HYDRO; solid order intake in METALS (but below the high value of Q3 2008) and in ENVIRONMENT & PROCESS; low order intake in FEED & BIOFUEL.
- Order intake in Q1-Q3 2009 amounted to 2,554.9 MEUR, thus below the over-proportionally high level of last year's reference period (-11.9% vs. Q1-Q3 2008: 2,900.4 MEUR).
- **Order backlog** as of September 30, 2009, at 4,514.5 MEUR, practically unchanged compared to the high value at the reference date of last year (September 30, 2008: 4,558.1 MEUR). Strong increase in HYDRO, decline in all other business areas.

Highlights in Q1-Q3 2009 and in Q3 2009

Earnings down, but solid profitability in Q3 2009

Solid profitability in Q3 2009 despite decline in sales

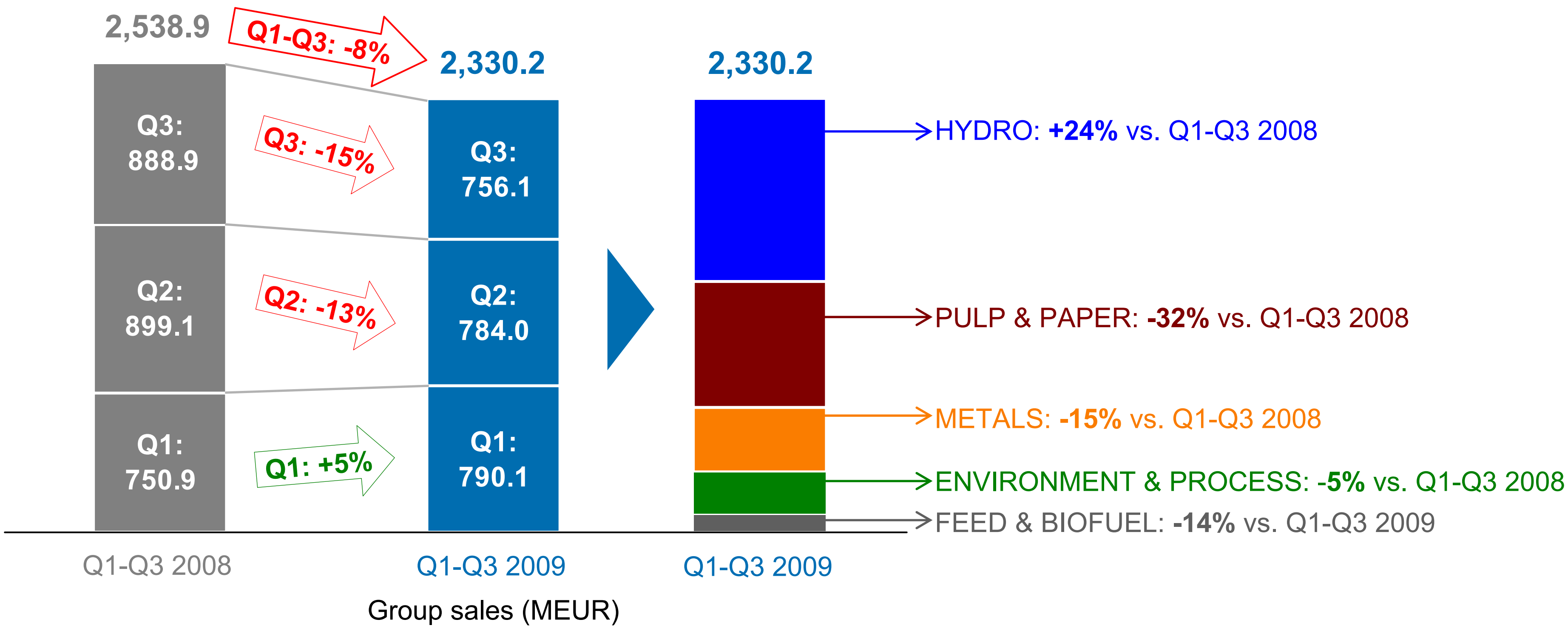
- **EBITA** in Q3 2009 amounted to 45.5 MEUR (Q3 2008: 57.6 MEUR). **EBITA margin,** at 6.0%, was solid despite the decline in sales (Q3 2008: 6.5%).
- EBITA margin in Q3 2009 in HYDRO, METALS and ENVIRONMENT & PROCESS increased compared to Q3 2008; weak development in PULP & PAPER due to continued low business volume in the capital business; FEED & BIOFUEL substantially down due to higher costs as a result of increased outsourcing.
- EBITA in Q1-Q3 2009 amounted to 102.0 MEUR (Q1-Q3 2008: 162.1 MEUR). Decline mainly due to restructuring expenses in the amount of ~24 MEUR booked in Q2 2009 and decrease in sales.
- **Goodwill impairment** of 8.0 MEUR in Q3 2009 for some smaller companies.
- **Financial result** in Q3 2009 increased strongly, to 9.5 MEUR (Q3 2008: 1.5 MEUR), mainly due to price gains of sold money market funds.
- **Net income** excluding minority interests in Q1-Q3 2009 was 59.6 MEUR (Q1-Q3 2008: 105.4 MEUR).

Unchanged solid balance sheet structure with high net liquidity of 660 MEUR

- **Total assets** increased to 3,216.1 MEUR as of Sept. 30, 2009 (Dec. 31, 2008: 3,086.3 MEUR).
- Substantial increase of **liquid funds** to 1,056.4 MEUR as of Sept. 30, 2009 (Dec. 31, 2008: 821.8 MEUR). **Net liquidity** increased to 659.5 MEUR (Dec. 31, 2008: 408.9 MEUR).
- **Equity ratio** as of September 30, 2009 amounted to 18.7% (Dec. 31, 2008: 18.7%).

Group sales

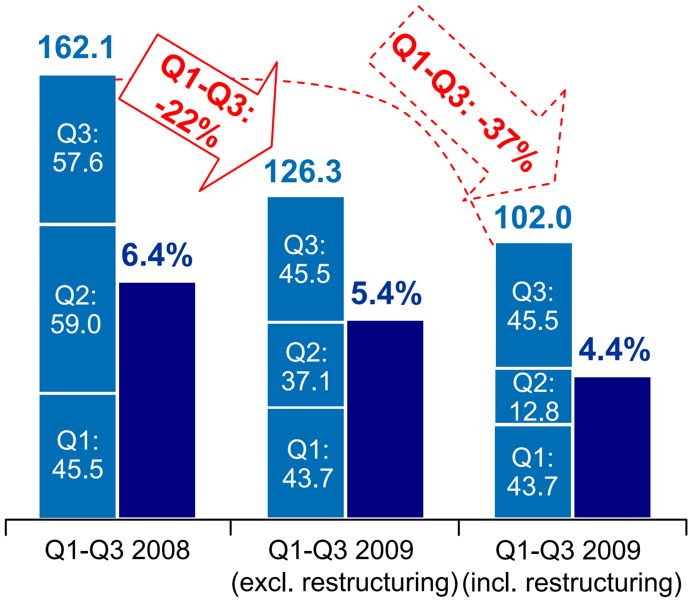
Good development in HYDRO, decrease in all other business areas

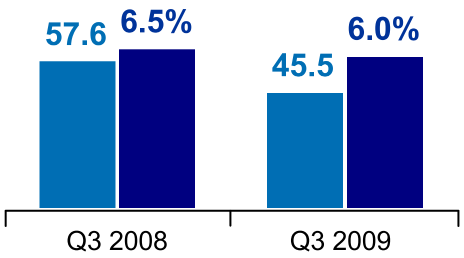


Earnings

Solid profitability in Q3 2009 despite decline in sales

- EBITA margins of HYDRO, METALS and ENVIRONMENT & PROCESS in Q3 2009 increased compared to Q3 2008.
- Weak development in PULP & PAPER due to continued low business volume in the capital business.
- FEED & BIOFUEL substantially down due to higher costs as a result of increased outsourcing.

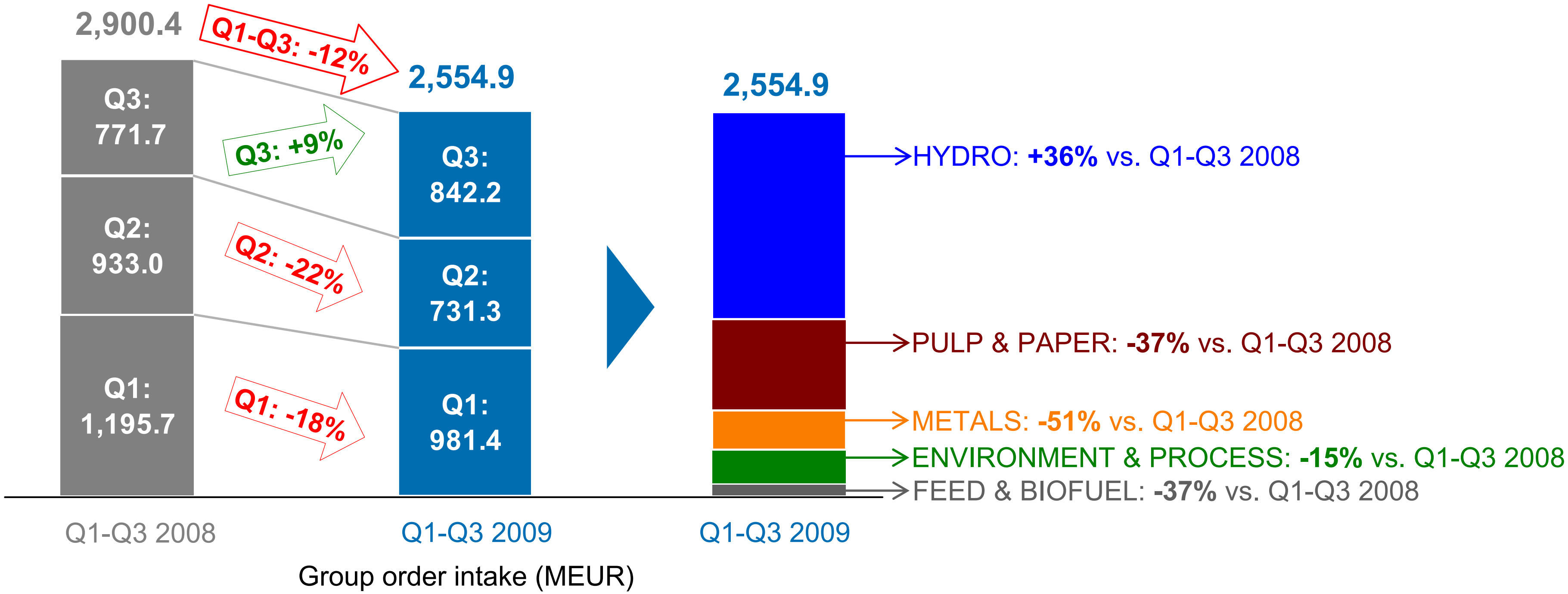




EBITA (MEUR) EBITA margin

Order intake

Strong order intake in HYDRO, down in all other business areas

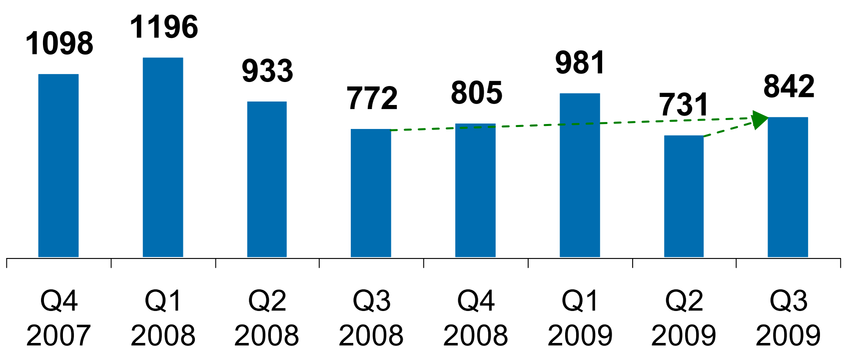


Order intake

Quarterly order intake stabilized

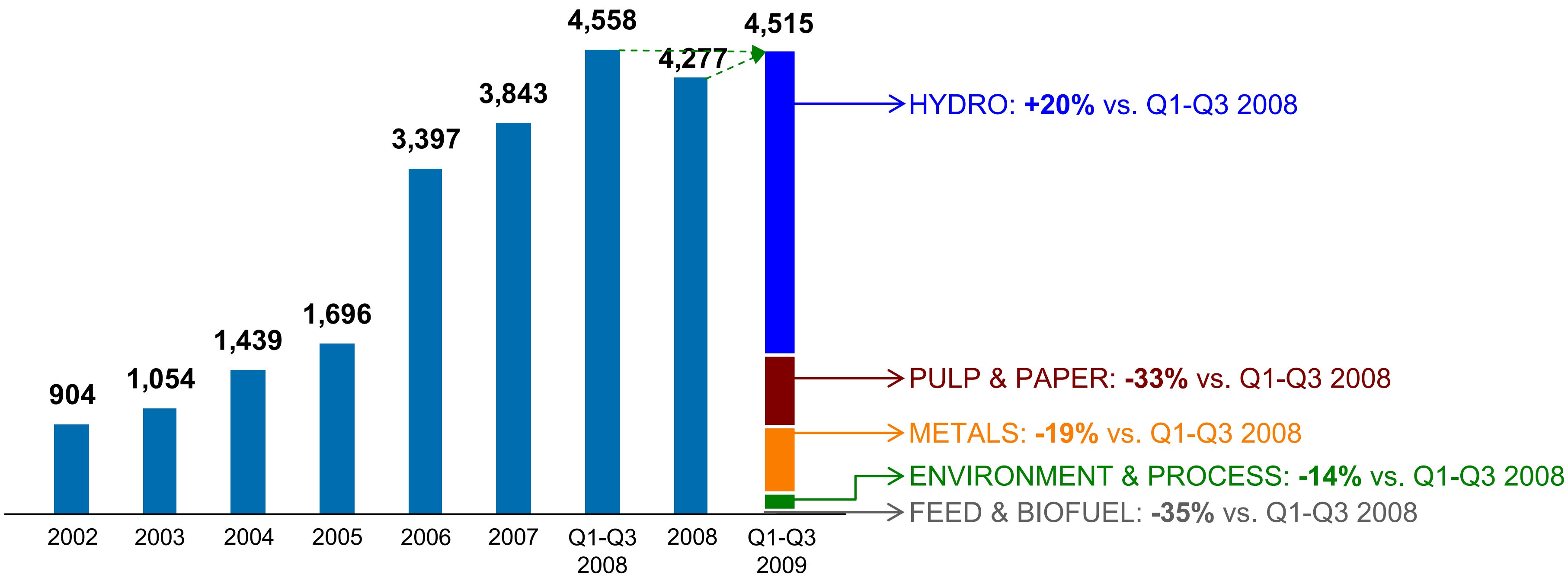
Order intake (MEUR) Q3 2009 vs. Q3 2008 by business area			
	Q3 2008	Q3 2009	+/-
ANDRITZ GROUP	**772**	**842**	**+9%**
HYDRO	243	324	+33%
PULP & PAPER	244	302	+24%
METALS	172	116	-32%
ENVIRONMENT & PROCESS	76	79	+5%
FEED & BIOFUEL	37	21	-43%

Group order intake Q4 2007-Q3 2009 (MEUR)



Order backlog

Good in HYDRO, declining in all other business areas



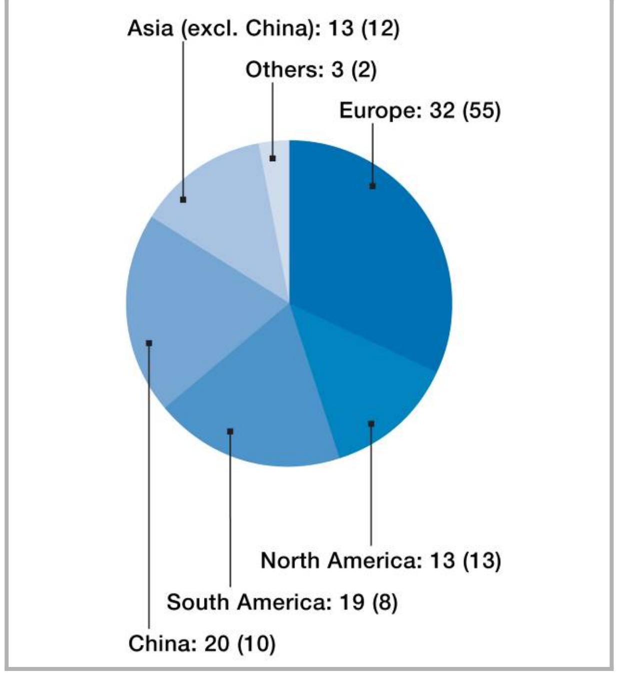
Group order backlog as of end of period (MEUR)

Order intake and sales by region

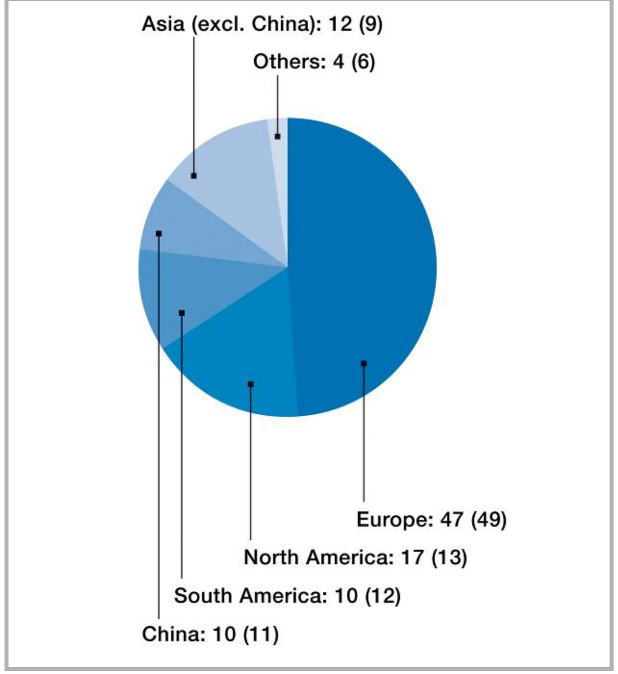
Well balanced geographical exposure

- Europe remains the Group's most important market in terms of sales and order intake.
- Emerging markets account for more than 50% of order intake.

Order intake by region
Q1-Q3 2009 (Q1-Q3 2008) in %



Sales by region
Q1-Q3 2009 (Q1-Q3 2008) in %



Q1-Q3 2009 and Q3 2009 results at a glance

KEY FIGURES	Unit	Q1-Q3 2009	Q1-Q3 2008	+/-	Q3 2009	Q3 2008	+/-	2008
Order intake	MEUR	2,554.9	2,900.4	-11.9%	842.2	771.7	+9.1%	3,705.3
Order backlog (as of end of period)	MEUR	4,514.5	4,558.1	-1.0%	4,514.5	4,558.1	-1.0%	4,277.4
Sales	MEUR	2,330.2	2,538.9	-8.2%	756.1	888.9	-14.9%	3,609.8
EBITDA	MEUR	146.7	196.5	-25.3%	57.5	69.9	-17.7%	278.2
EBITA (excl. restructuring expenses)	MEUR	126.3	162.1	-22.1%	45.5	57.6	-21.0%	246.8
EBITA (incl. restructuring expenses)	MEUR	102.0	162.1	-37.1%	45.5	57.6	-21.0%	233.2
EBIT	MEUR	87.1	155.6	-44.0%	35.1	54.2	-35.2%	218.5
Financial result	MEUR	6.6	0.6	+1,000.0%	9.5	1.5	+533.3%	-8.1
EBT	MEUR	93.7	156.2	-40.0%	44.6	55.7	-19.9%	210.5
Net income (incl. minority interests)	MEUR	63.5	110.0	-42.3%	29.0	38.0	-23.7%	147.0
Cash flow from operating activities	MEUR	344.1	309.2	+11.3%	226.5	183.0	+23.8%	255.0
Capital expenditure	MEUR	51.4	42.2	+21.8%	11.2	14.5	-22.8%	69.7
EBITDA margin	%	6.3	7.7	-	7.6	7.9	-	7.7
EBITA margin (excl. restructuring exp.)	%	5.4	6.4	-	6.0	6.5	-	6.8
EBITA margin (incl. restructuring exp.)	%	4.4	6.4	-	6.0	6.5	-	6.5
EBIT margin	%	3.7	6.1	-	4.6	6.1	-	6.1
Employees (as of end of period)	-	13,176	13,225	-0.4%	13,176	13,225	-0.4%	13,707

Balance sheet structure

Strong increasing in cash position

- **Total assets** increased to 3,216 MEUR as of Sept. 30, 2009 (Dec. 31, 2008: 3,086 MEUR).
- Substantial increase of **gross cash position** to 1,056 MEUR as of Sept. 30, 2009 (822 MEUR as of Dec. 31, 2008); **net liquidity** increased to 660 MEUR as of Sept. 30, 2009 (Dec. 31, 2008: 409 MEUR).
- Low **net working capital,** at -157 MEUR, as of Sept. 30, 2009 (Dec. 31, 2008: 23 MEUR).
- **Equity ratio** amounted to 18.7% as of Sept. 30, 2009 (18.7% as of end of 2008).

Balance sheet as of Sept. 30, 2009			
Other non-current assets	551	Shareholders' equity, minorities	566 35
Goodwill	220	Provisions	514
Inventories	450	Financial liabilities, thereof bonds	424 377
Cash and cash equivalents and marketable securities	1,056	Other non-current liabilities	108
Other current assets Thereof: > Trade accounts receivable > Cost and earnings of projects under construction in excess of billings	939 419 354	Other current liabilities Thereof: > Trade accounts payable > Billings in excess of cost and earnings of projects under construction	1,569 230 739
Total assets	**3,216**	**Total shareholders' equity and liabilities**	**3,216**

HYDRO

Continuing good development

- Market: continuing high project activity worldwide with modernization of existing plants concentrated on Europe and North America; new hydropower plant projects mainly focused on emerging markets, especially Asia and South America.
- Continuing strong order intake in all divisions, including the pumps and turbo generator businesses.
- Sales, order intake, and profitability in Q3 2009 increased compared to reference period of last year.

KEY FIGURES	Unit	Q1-Q3 2009	Q1-Q3 2008	+/-	Q3 2009	Q3 2008	+/-	2008
Order intake	MEUR	1,378.5	1,012.1	+36.2%	324.0	242.9	+33.4%	1,543.4
Order backlog (as of end of period)	MEUR	2,969.2	2,482.6	+19.6%	2,969.2	2,482.6	+19.6%	2,590.1
Sales	MEUR	987.4	798.8	+23.6%	337.0	308.2	+9.3%	1,205.9
EBITDA	MEUR	81.8	65.7	+24.5%	31.0	27.7	+11.9%	105.7
EBITDA margin	%	8.3	8.2	-	9.2	9.0	-	8.8
EBITA	MEUR	63.2	52.4	+20.6%	26.1	23.0	+13.5%	87.9
EBITA margin	%	6.4	6.6	-	7.7	7.5	-	7.3
Employees (as of end of period)	-	5,894	5,505	+7.1%	5,894	5,505	+7.1%	5,606

PULP & PAPER

Still impacted by weak capital business

- Market: global pulp market developed solidly with increasing demand from Asia, especially from China. Project activity remained at a low level during Q3 2009, both for new pulp mills and for rebuilds of existing plants; service business relatively resilient.
- Order intake in Q3 2009 developed solidly (greenfield pulp mill order from China booked in Q3 2009).
- Restructuring underway to adjust to prevailing market conditions.

KEY FIGURES	Unit	Q1-Q3 2009	Q1-Q3 2008	+/-	Q3 2009	Q3 2008	+/-	2008
Order intake	MEUR	604.4	955.5	-36.7%	301.6	244.0	+23.6%	1,033.8
Order backlog (as of end of period)	MEUR	692.5	1,025.2	-32.5%	692.5	1,025.2	-32.5%	752.8
Sales	MEUR	671.2	981.4	-31.6%	205.4	311.3	-34.0%	1,326.6
EBITDA	MEUR	26.3	72.8	-63.9%	11.9	24.1	-50.6%	84.5
EBITDA margin	%	3.9	7.4	-	5.8	7.7	-	6.4
EBITA	MEUR	7.2	58.7	-87.7%	7.0	18.8	-62.8%	66.3
EBITA margin	%	1.1	6.0	-	3.4	6.0	-	5.0
Employees (as of end of period)	-	4,396	4,737	-7.2%	4,396	4,737	-7.2%	5,102

METALS

Continued weak market conditions

- Market: project activity remained weak; some signs of stabilization during Q3 2009.
- Solid order intake in Q3 2009, but below the very high reference value of last year.
- Despite decline in sales, EBITA margin increased in Q3 2009.

KEY FIGURES	Unit	Q1-Q3 2009	Q1-Q3 2008	+/-	Q3 2009	Q3 2008	+/-	2008
Order intake	MEUR	261.7	534.6	-51.0%	116.4	172.0	-32.3%	611.5
Order backlog (as of end of period)	MEUR	656.5	808.5	-18.8%	656.5	808.5	-18.8%	736.2
Sales	MEUR	351.9	412.2	-14.6%	108.3	144.4	-25.0%	566.2
EBITDA	MEUR	20.4	31.7	-35.6%	9.5	9.7	-2.1%	42.6
EBITDA margin	%	5.8	7.7	-	8.8	6.7	-	7.5
EBITA	MEUR	18.4	29.6	-37.8%	9.0	9.1	-1.1%	40.1
EBITA margin	%	5.2	7.2	-	8.3	6.3	-	7.1
Employees (as of end of period)	-	991	990	+0.1%	991	990	+0.1%	996

ENVIRONMENT & PROCESS

Stable sales development, order intake slightly up

- Market: solid project activity for municipal solid/liquid separation equipment; relatively low investment activity for industrial applications; demand for biomass drying systems stable.
- Order intake in Q3 2009 slightly up.
- Decreases in sales and earnings; despite decline in sales, EBITA margin increased in Q3 2009.

KEY FIGURES	Unit	Q1-Q3 2009	Q1-Q3 2008	+/-	Q3 2009	Q3 2008	+/-	2008
Order intake	MEUR	231.8	274.3	-15.5%	78.8	75.4	+4.5%	361.2
Order backlog (as of end of period)	MEUR	162.9	190.2	-14.4%	162.9	190.2	-14.4%	151.8
Sales	MEUR	227.7	239.8	-5.0%	75.9	89.3	-15.0%	366.6
EBITDA	MEUR	15.5	16.3	-4.9%	5.2	5.4	-3.7%	32.1
EBITDA margin	%	6.8	6.8	-	6.9	6.0	-	8.8
EBITA	MEUR	11.9	12.6	-5.6%	4.0	4.2	-4.8%	27.3
EBITA margin	%	5.2	5.3	-	5.3	4.7	-	7.4
Employees (as of end of period)	-	1,380	1,430	-3.5%	1,380	1,430	-3.5%	1,437

FEED & BIOFUEL

Unchanged difficult market conditions

- Market: project activity in the animal feed sector continued to be impacted by the global economic and financial crisis; low project activity in special feed; reasonable project activity within the biomass/wood pelletizing market, although also somewhat impacted by funding restrictions.
- Order intake in Q3 2009 significantly down.
- EBITA and margin sharply down due to higher costs as a result of increased outsourcing.

KEY FIGURES	Unit	Q1-Q3 2009	Q1-Q3 2008	+/-	Q3 2009	Q3 2008	+/-	2008
Order intake	MEUR	78.5	123.9	-36.6%	21.4	37.4	-42.8%	155.4
Order backlog (as of end of period)	MEUR	33.4	51.6	-35.3%	33.4	51.6	-35.3%	46.5
Sales	MEUR	92.0	106.7	-13.8%	29.5	35.7	-17.4%	144.5
EBITDA	MEUR	2.7	10.0	-73.0%	-0.1	3.0	-103.3%	13.3
EBITDA margin	%	2.9	9.4	-	-0.3	8.4	-	9.2
EBITA	MEUR	1.3	8.8	-85.2%	-0.6	2.5	-124.0%	11.6
EBITA margin	%	1.4	8.2	-	-2.0	7.0	-	8.0
Employees (as of end of period)	-	515	563	-8.5%	515	563	-8.5%	566

Outlook

Market expectations unchanged, guidance 2009 confirmed

Unchanged market expectations:

- Signs of stabilization since the end of Q2 2009 → further economic development remains uncertain (V, U or W shape).
- Project activity stabilized.
- To achieve a sustained increase in project activity and order intake, ANDRITZ's customers need high capacity utilization levels over several consecutive quarters.
- Conclusion: No substantial change in project activity expected for the next few quarters.

Guidance for 2009 confirmed:

- ANDRITZ continues to expect its sales to decline by about 15% in 2009 and its net income also to decrease vs. 2008.

Disclaimer

Certain statements contained in this presentation constitute ‘forward-looking statements.’ These statements, which contain the words ‘believe’, ‘intend’, ‘expect’ and words of similar meaning, reflect management’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.

Note: 2008 figures restated

According to IFRS.