



Results for 2011:

Solid business development

March 1, 2012

Key developments at a glance

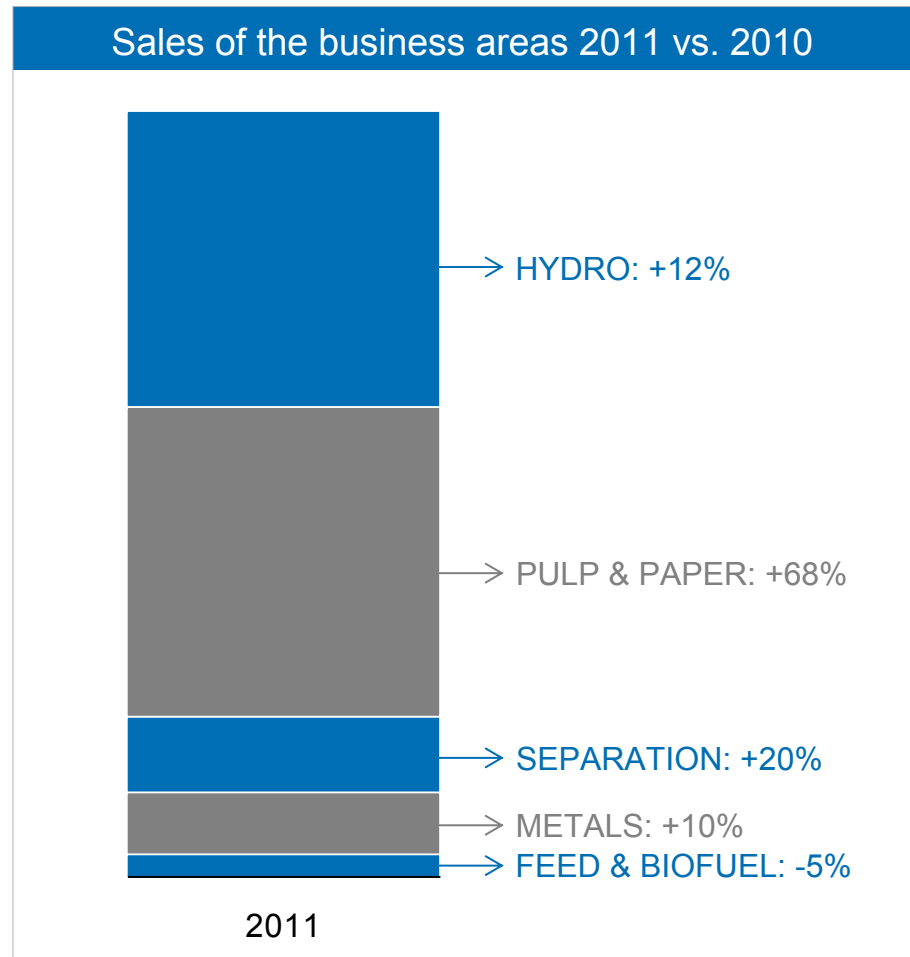
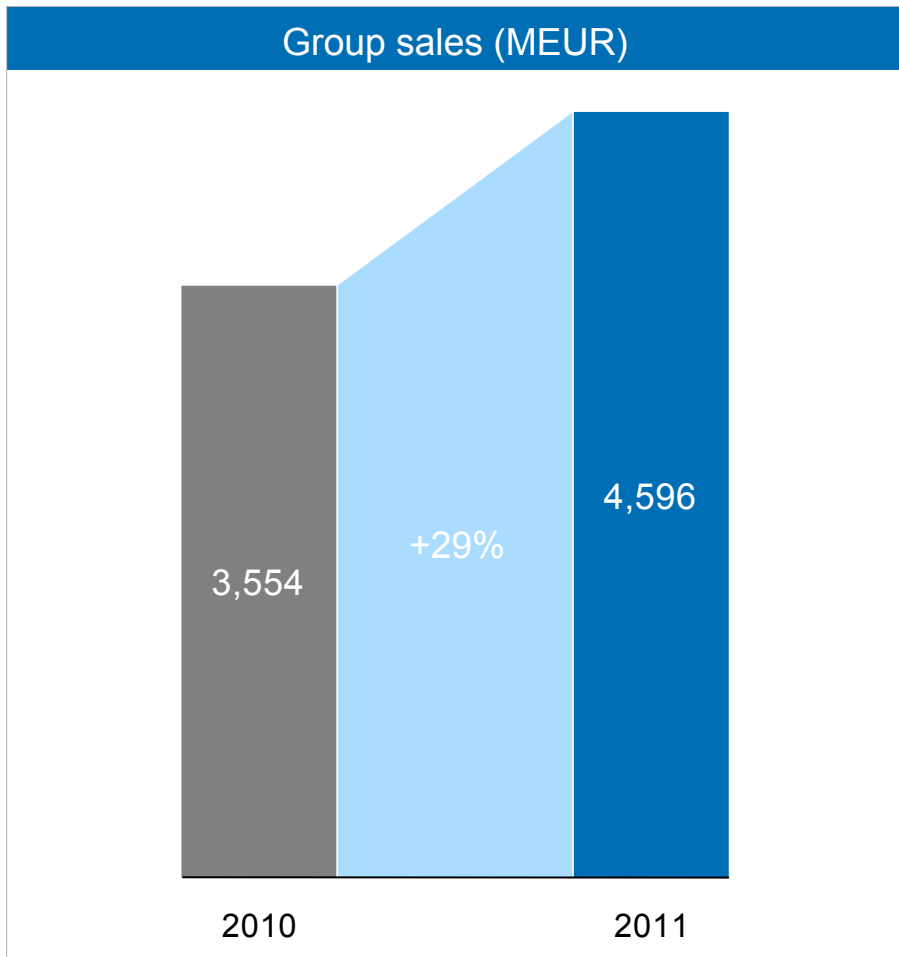
	2011	2010	+/-
Order intake: strong increase mainly due to HYDRO and PULP & PAPER (three large orders)	5,707 MEUR	4,132 MEUR	+38%
Order backlog: increase in all business areas, except METALS	6,683 MEUR	5,291 MEUR	+26%
Sales: increase mainly driven by PULP & PAPER, HYDRO, and SEPARATION	4,596 MEUR	3,554 MEUR	+29%
EBITA and margin: margin increases in HYDRO and SEPARATION; PULP & PAPER down			
▪ EBITA:	▪ 332 MEUR	▪ 258 MEUR	▪ +29%
▪ EBITA margin:	▪ 7.2%	▪ 7.2%	-
Dividend: proposal for increase, payout ratio approx. 50%	2.20 EUR/share	1.70 EUR/share	+29%

Balance sheet as of 31. 12. 2011

Equity ratio: unchanged at approximately 20%	20.6% (31. 12. 2010: 19.7%)
Net liquidity: continuing high cash position	1,401 MEUR, +19% vs. 31. 12. 2010
Net working capital: stable at solid level	-639 MEUR (31. 12. 2010: -556 MEUR)

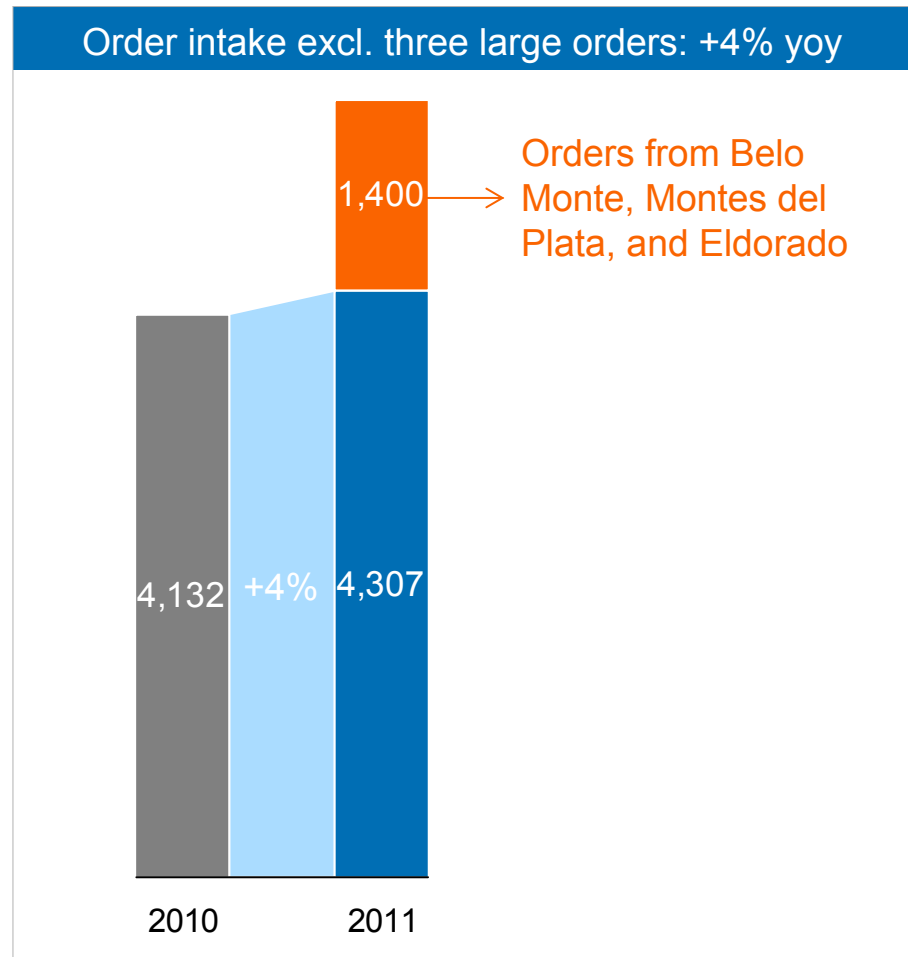
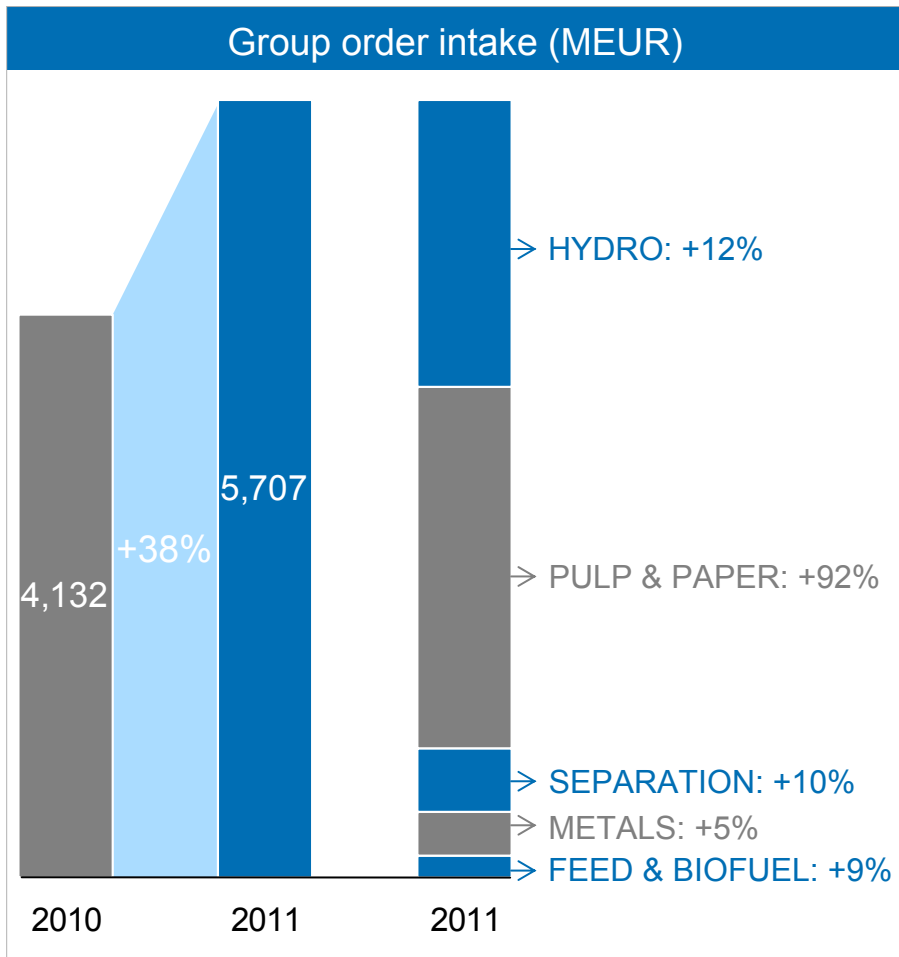
Favorable development of sales

mainly due to PULP & PAPER and SEPARATION



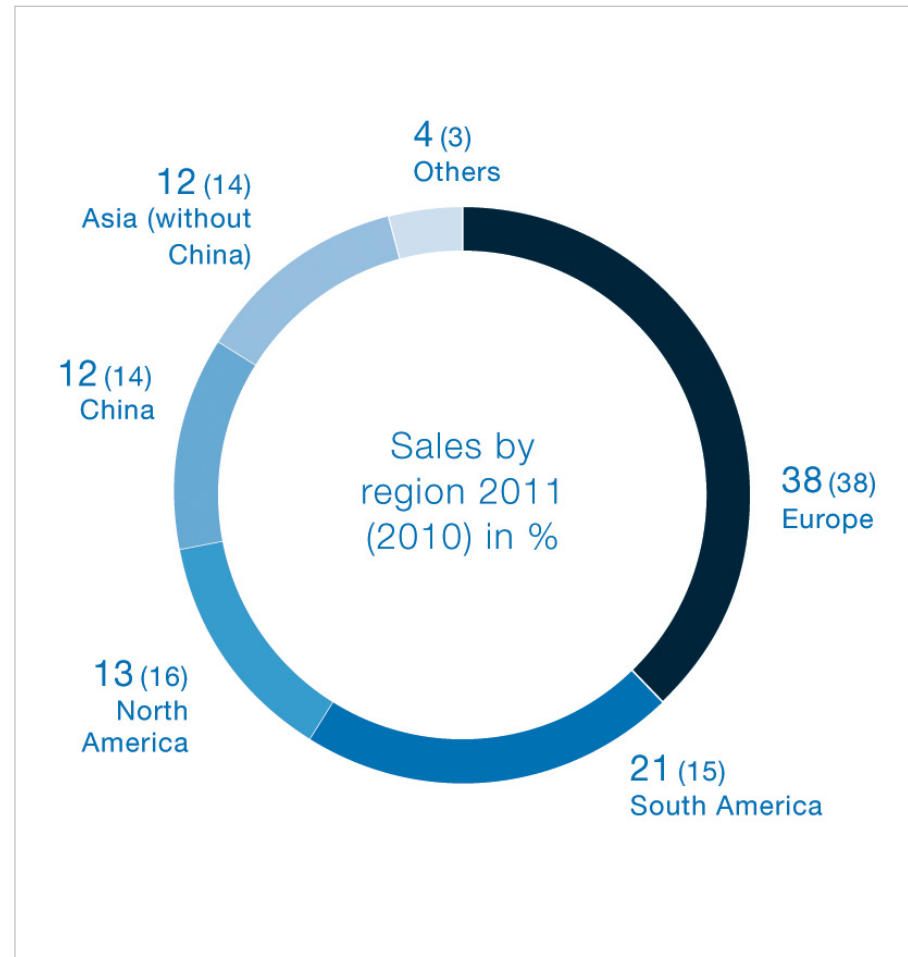
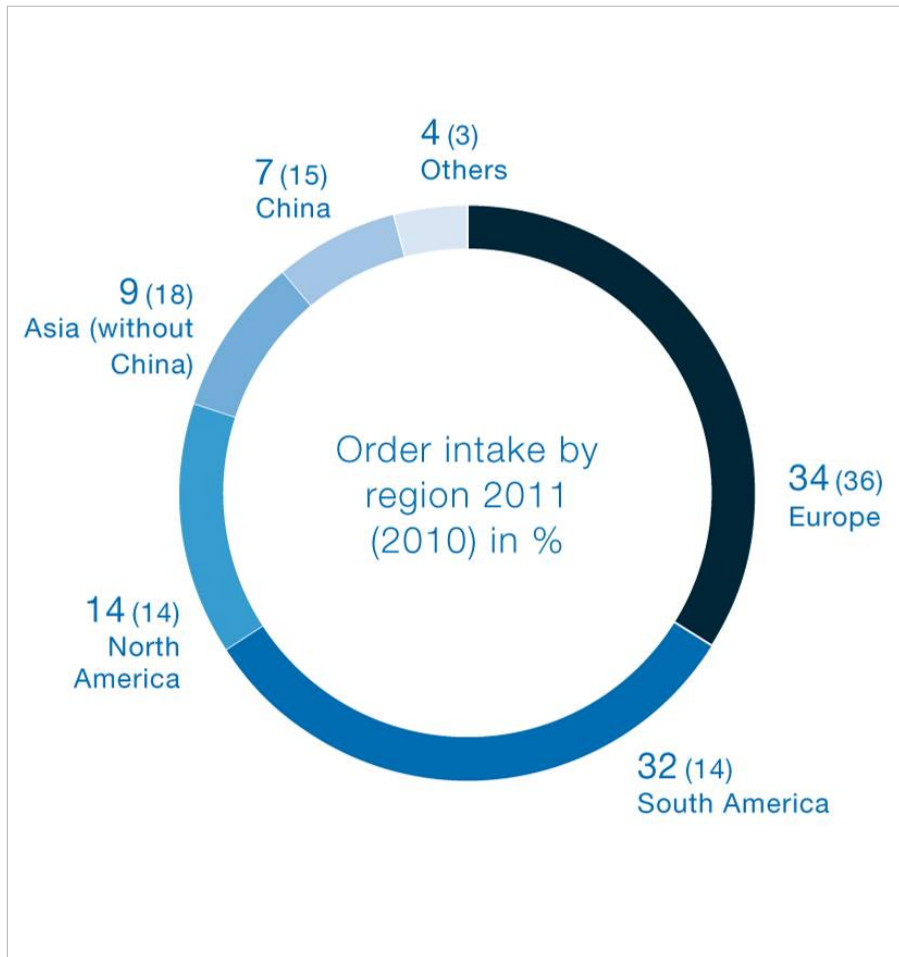
Order intake at record level

Mostly driven by PULP & PAPER and HYDRO



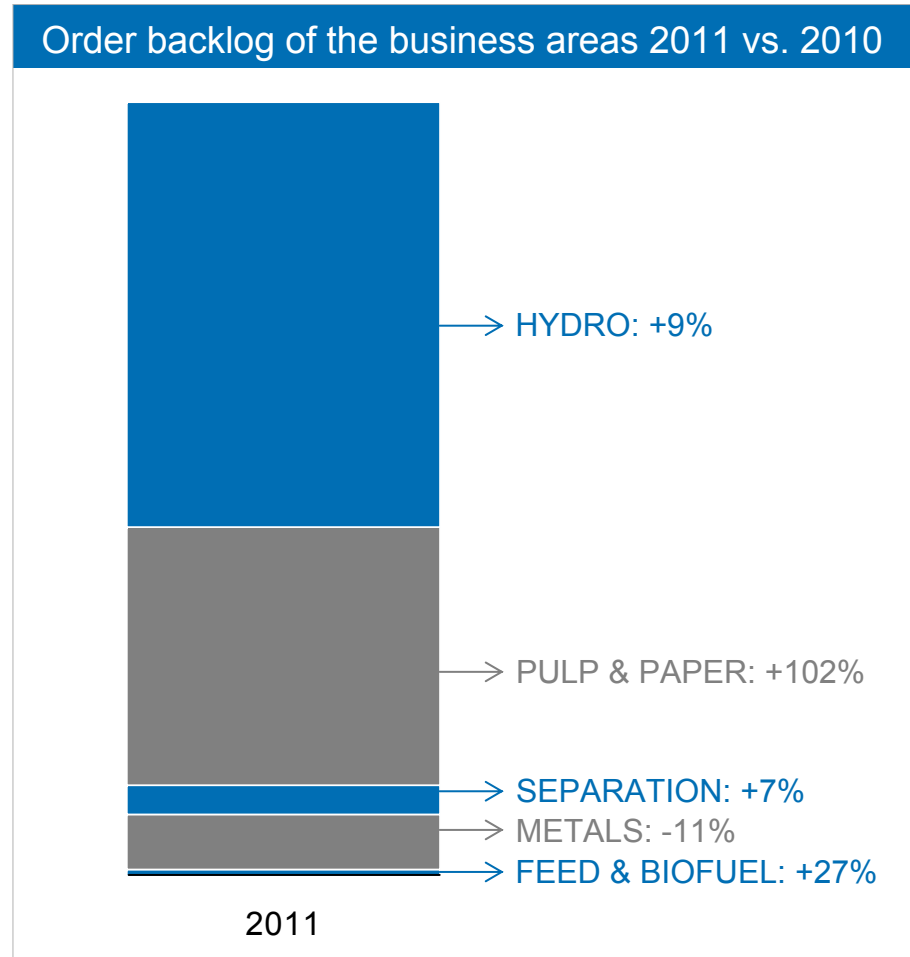
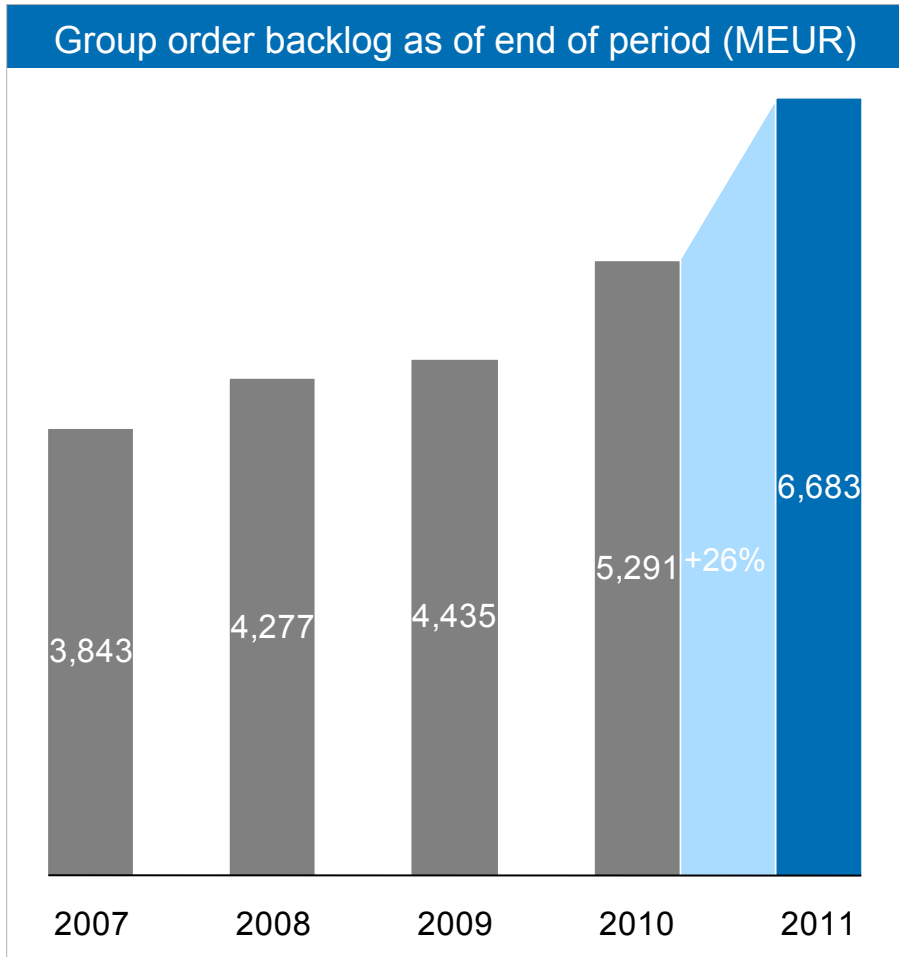
Order intake and sales by region

Geographically well balanced



Solid order backlog

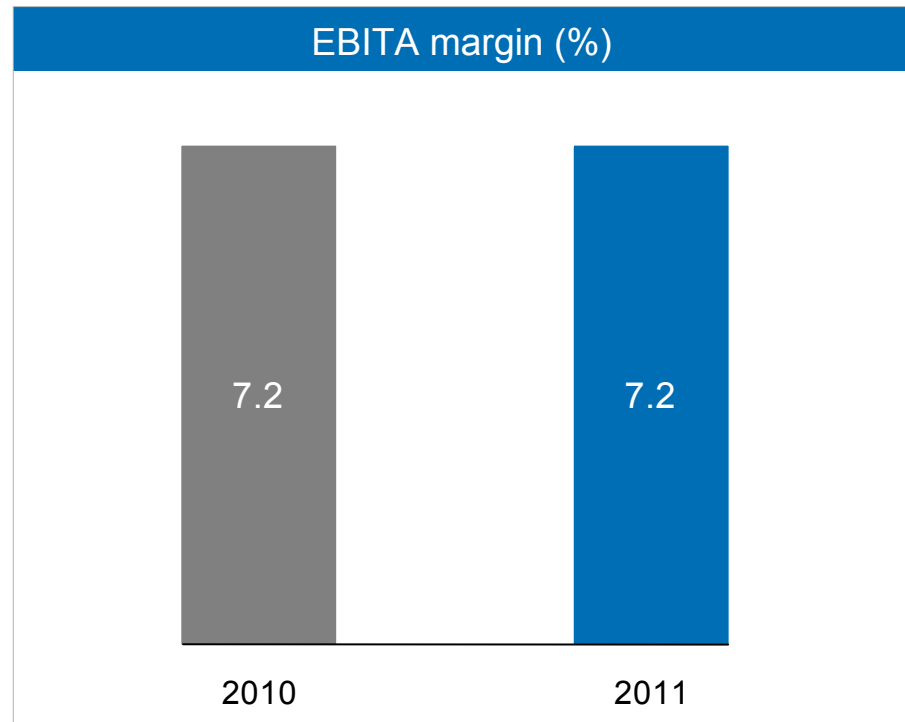
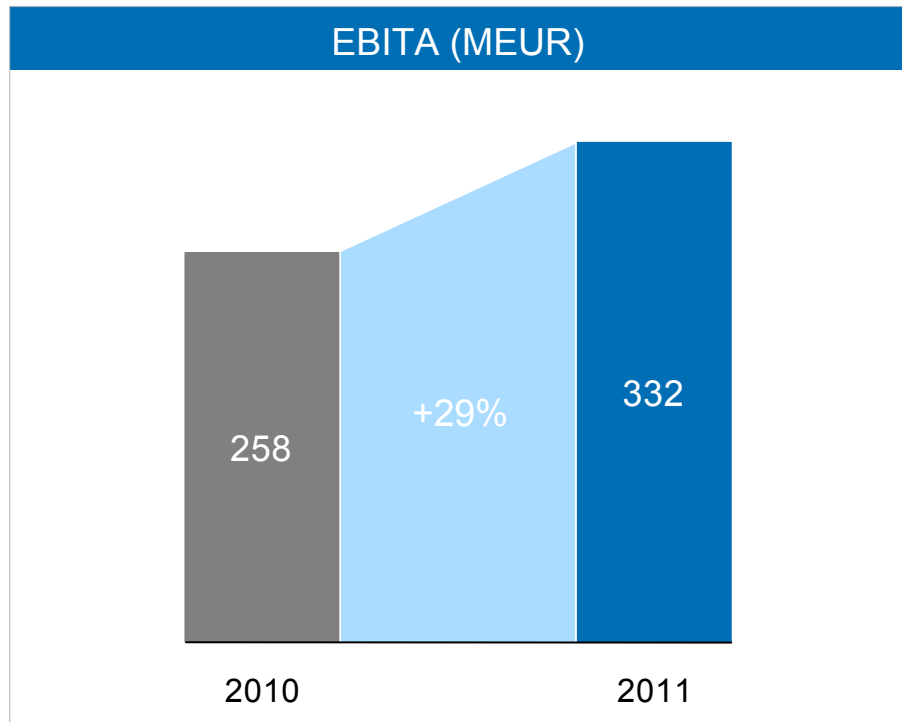
HYDRO and PULP & PAPER account for almost 90% of backlog



Solid earnings development

Profitability continues at good level

- EBITA of the Group grows in line with sales: 332 MEUR (+29% vs. 2010: 258 MEUR)
- EBITA margin unchanged at 7.2%; decline in PULP & PAPER offset by increases in HYDRO and SEPARATION



Key figures 2011 at a glance:

Solid business development

	Unit	2011	2010	+/-
Order intake	MEUR	5,706.9	4,131.9	+38.1%
Order backlog (as of end of period)	MEUR	6,683.1	5,290.9	+26.3%
Sales	MEUR	4,596.0	3,553.8	+29.3%
EBITDA	MEUR	386.2	307.3	+25.7%
EBITA	MEUR	331.5	257.6	+28.7%
EBIT	MEUR	312.7	245.5	+27.4%
EBT	MEUR	321.7	247.9	+29.8%
Financial result	MEUR	9.0	2.4	+275.0%
Net income (including non-controlling interests)	MEUR	231.5	177.0	+30.8%
Cash flow from operating activities	MEUR	433.8	704.5	-38.4%
Capital expenditure	MEUR	77.0	68.8	+11.9%
EBITDA margin	%	8.4	8.6	-
EBITA margin	%	7.2	7.2	-
EBIT margin	%	6.8	6.9	-
Employees (as of end of period)	-	16,750	14,655	+14.3%

Decrease mainly due to project-related changes in working capital

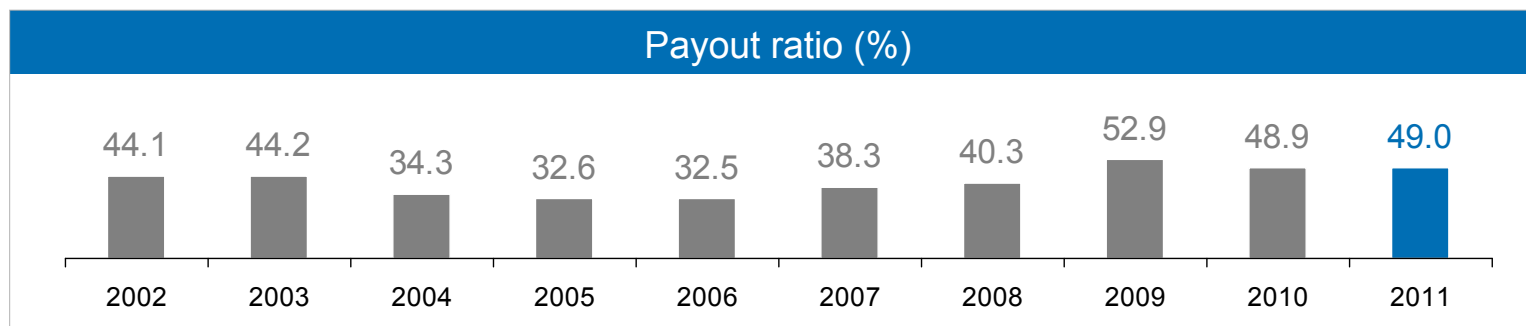
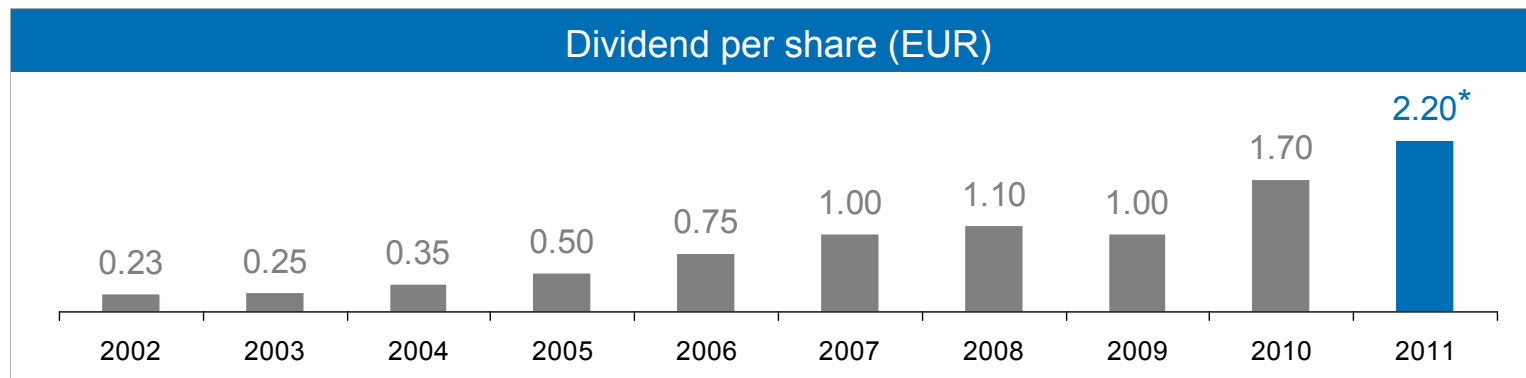
Stable capex (1.7% of sales)

Proposal for dividend increase

Sustainable dividend payout ratio on top of strong sales growth

Confirmation of dividend goals:

- Keep payout ratio at least at 50%
- Mid-term increase to ~ 60%



* Proposal to the AGM

HYDRO

Continued favorable market environment

- Market: continued favorable market conditions
 - Good investment activity for modernizations and rehabilitation of existing capacities in Europe and North America, as well as for pumped storage power stations
 - Solid project activity for new hydropower capacities in the emerging markets
 - Favorable investment activity for small-scale hydropower equipment and pumps
- Order intake and sales reached new record highs
- Earnings and profitability also significantly up compared to 2010

	<i>Unit</i>	2011	2010	+/-
Order intake	<i>MEUR</i>	2,096.2	1,870.1	+12.1%
Order backlog (as of end of period)	<i>MEUR</i>	3,671.4	3,376.0	+8.8%
Sales	<i>MEUR</i>	1,772.9	1,579.2	+12.3%
EBITDA	<i>MEUR</i>	174.3	139.9	+24.6%
EBITDA margin	%	9.8	8.9	-
EBITA	<i>MEUR</i>	147.7	118.0	+25.2%
EBITA margin	%	8.3	7.5	-
Employees (as of end of period)	-	7,285	6,530	+11.6%

PULP & PAPER

Satisfactory business development

- Market: solid market environment
 - Good project activity for both modernization projects/capacity increases as well as greenfield pulp mills
 - Satisfactory market conditions for biomass and recovery boilers
- Very favorable development of order intake, mainly due to two greenfield pulp mill orders (Eldorado and Montes del Plata)
- Strong rise of sales in both capital and service business
- Profitability down due to project mix

	<i>Unit</i>	2011	2010	+/-
Order intake	<i>MEUR</i>	2,664.3	1,388.4	+91.9%
Order backlog (as of end of period)	<i>MEUR</i>	2,221.6	1,099.6	+102.0%
Sales	<i>MEUR</i>	1,855.9	1,105.3	+67.9%
EBITDA	<i>MEUR</i>	136.6	98.4	+38.8%
EBITDA margin	%	7.4	8.9	-
EBITA	<i>MEUR</i>	118.9	80.7	+47.3%
EBITA margin	%	6.4	7.3	-
Employees (as of end of period)	-	5,984	4,851	+23.4%

SEPARATION

Favorable business development

- Market: good market conditions
 - High project activity for municipal sludge dewatering plants, especially in Asia
 - Good investment activity in the industrial process applications sector (mainly in the chemical, mining, minerals, and fertilizer industries)
 - Demand for sludge drying plants in the municipal and industrial sectors remained positive
- Order intake and sales up
- Earnings and profitability increased

	<i>Unit</i>	2011	2010	+/-
Order intake	<i>MEUR</i>	468.6	424.3	+10.4%
Order backlog (as of end of period)	<i>MEUR</i>	259.2	242.3	+7.0%
Sales	<i>MEUR</i>	448.9	375.4	+19.6%
EBITDA	<i>MEUR</i>	44.2	34.8	+27.0%
EBITDA margin	%	9.8	9.3	-
EBITA	<i>MEUR</i>	38.2	29.5	+29.5%
EBITA margin	%	8.5	7.9	-
Employees (as of end of period)	-	1,976	1,816	+8.8%

METALS

Solid business development despite weak market conditions

- Market: unchanged weak market conditions
 - Very subdued project activity in Europe and North America due to continued low capacity utilization rates of steel producers and uncertain demand outlook
 - Relatively solid project activity in emerging markets, particularly in South America and Asia
- However, reasonable development of order intake and sales
- Solid profitability despite weak market environment

	<i>Unit</i>	2011	2010	+/-
Order intake	<i>MEUR</i>	318.6	302.7	+5.3%
Order backlog (as of end of period)	<i>MEUR</i>	465.1	521.0	-10.7%
Sales	<i>MEUR</i>	372.7	340.2	+9.6%
EBITDA	<i>MEUR</i>	21.5	21.2	+1.4%
EBITDA margin	%	5.8	6.2	-
EBITA	<i>MEUR</i>	19.4	18.4	+5.4%
EBITA margin	%	5.2	5.4	-
Employees (as of end of period)	-	945	937	+0.9%

FEED & BIOFUEL

Satisfactory project activity

- Market: solid market environment for both feed and biomass equipment
 - Solid investment activity in the animal feed, aquatic feed, and pet food areas, mainly in Asia, South America, and Europe
 - Good investment activity for biomass/wood pelleting equipment, mainly in Europe and North America
- Order intake slightly up – good development in both feed and biomass equipment
- Sales and earnings down; profitability decline due to project-related provisions and investment in biomass

	<i>Unit</i>	2011	2010	+/-
Order intake	<i>MEUR</i>	159.2	146.4	+8.7%
Order backlog (as of end of period)	<i>MEUR</i>	65.8	52.0	+26.5%
Sales	<i>MEUR</i>	145.6	153.7	-5.3%
EBITDA	<i>MEUR</i>	9.6	13.0	-26.2%
EBITDA margin	%	6.6	8.5	-
EBITA	<i>MEUR</i>	7.3	11.0	-33.6%
EBITA margin	%	5.0	7.2	-
Employees (as of end of period)	-	560	522	+7.3%

Outlook 2012

Expectations for the Group	
HYDRO	Solid project activity for modernizations and new hydropower stations to continue
PULP & PAPER	Satisfactory project activity for modernizations/capacity increases as well as for power/ biomass boilers; good pipeline of greenfield pulp mills (order awards expected not before end of 2012 or during 2013)
SEPARATION	Project activity expected to remain solid for both municipal and industrial dewatering and drying plants
METALS	Continuing moderate project activity in the carbon steel and stainless steel sectors; however, selective projects in emerging markets (especially in Asia)
FEED & BIOFUEL	Satisfactory market environment for feed and biomass equipment to continue

Expectations for the Group

Based on these market expectations and the high order backlog, ANDRITZ expects an increase in sales in 2012 compared to 2011

Disclaimer

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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.

According to IFRS.