



Results for the First Half of 2007

3 August 2007

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.



Highlights Q2/H1 2007

Order Intake & Order Backlog

- Group Order Intake in H1 2007, at 2,037.5 MEUR, significantly over reference period of last year (+59.5%); Order Intake of VA TECH HYDRO, at 512.6 MEUR in H1 2007, substantially above expectations
- Very strong development of Group Order Intake in Q2 2007 (1,006.5 MEUR; +90.1% vs. Q2 2006)
- High Order Backlog of more than 3.8 bn EUR as solid basis for coming Quarters

Sales

- Strong Sales growth in H1 2007, to 1,537.0 MEUR (+58.9% vs. H1 2006); continued good organic growth of 24.3% in H1 2007
- Solid Sales development in Q2 2007 (806.1 MEUR; +56.3% vs. Q2 2006) with increases in all Business Areas

Earnings

- Increase of EBITA to 87.4 MEUR in H1 2007 (H1 2006: 57.7 MEUR)
- EBITA margin of 5.7% in H1 2007 (H1 2006: 6.0%)
- Net income after minorities for H1 2007: 61.6 MEUR (+54.4% vs. H1 2006)

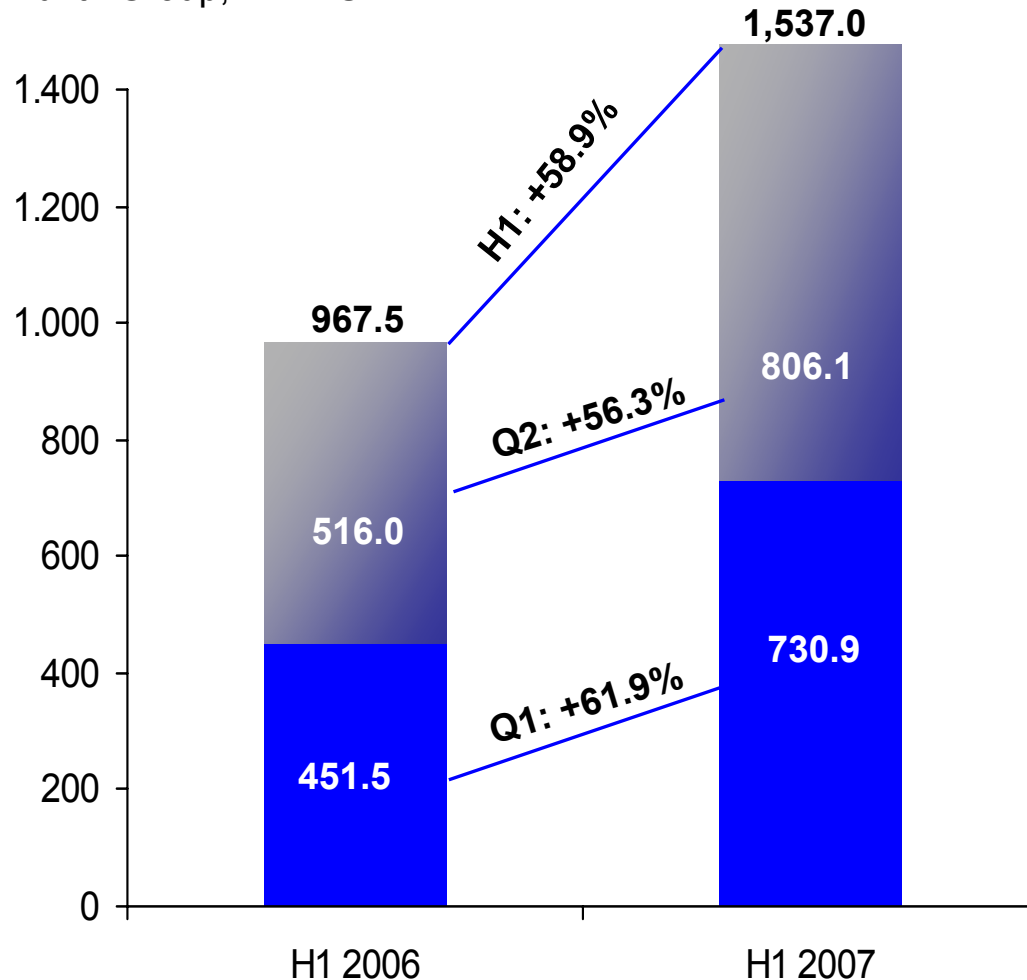
Balance sheet

- Net liquidity, at 332.9 MEUR as of 30.06.2007, still at very high level (31.12.2006 365.7 MEUR)
- Equity ratio as of 30.06.2007: 18.1% (31.12.2006: 17.4%)



Increase in Sales

Andritz Group; in MEUR

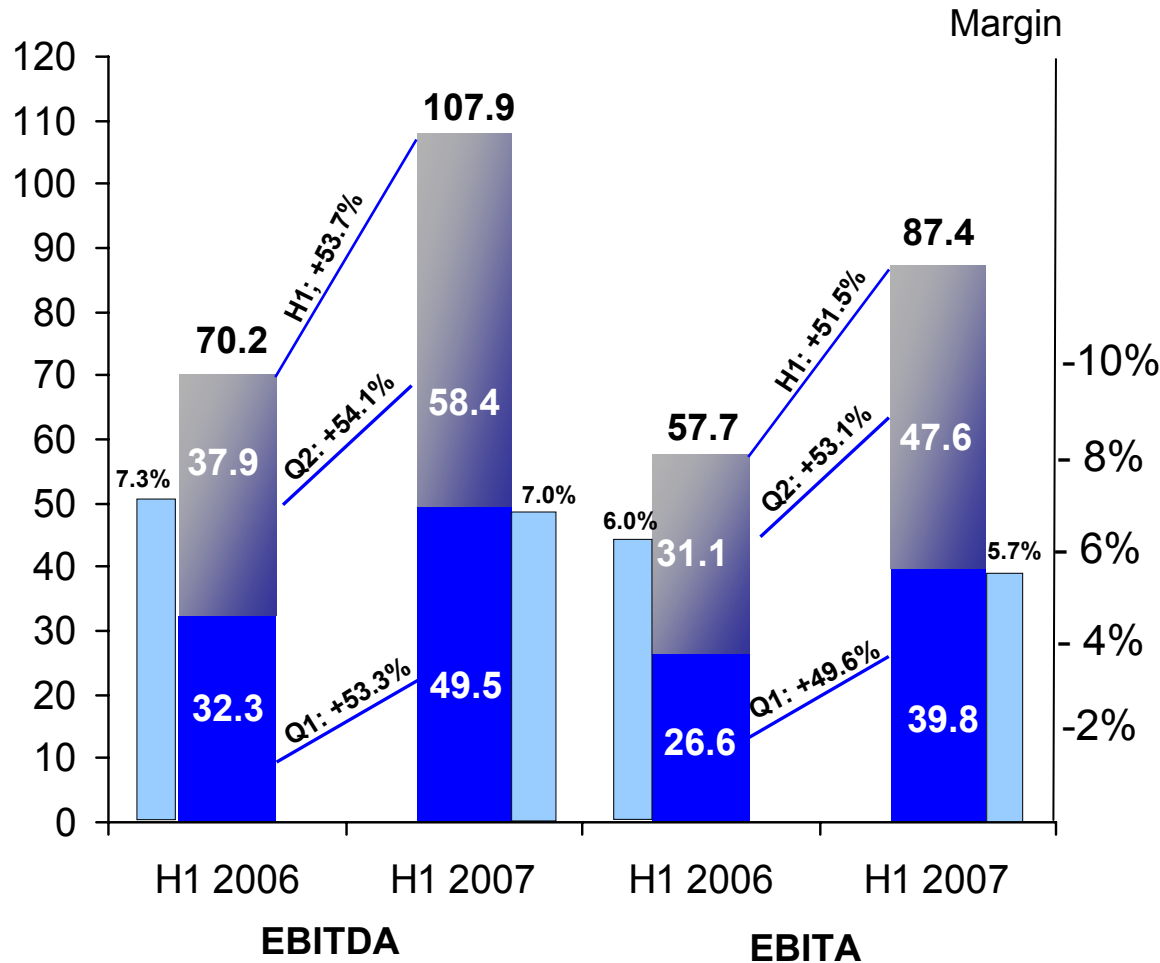


- Strong increase in Group Sales in H1 2007, mostly due to consolidation of VA TECH HYDRO (adding 331.8 MEUR in H1 2007) and continued strong organic growth (+24.3%)
- Solid Sales development in all Business Areas



Earnings

Andritz Group; in MEUR

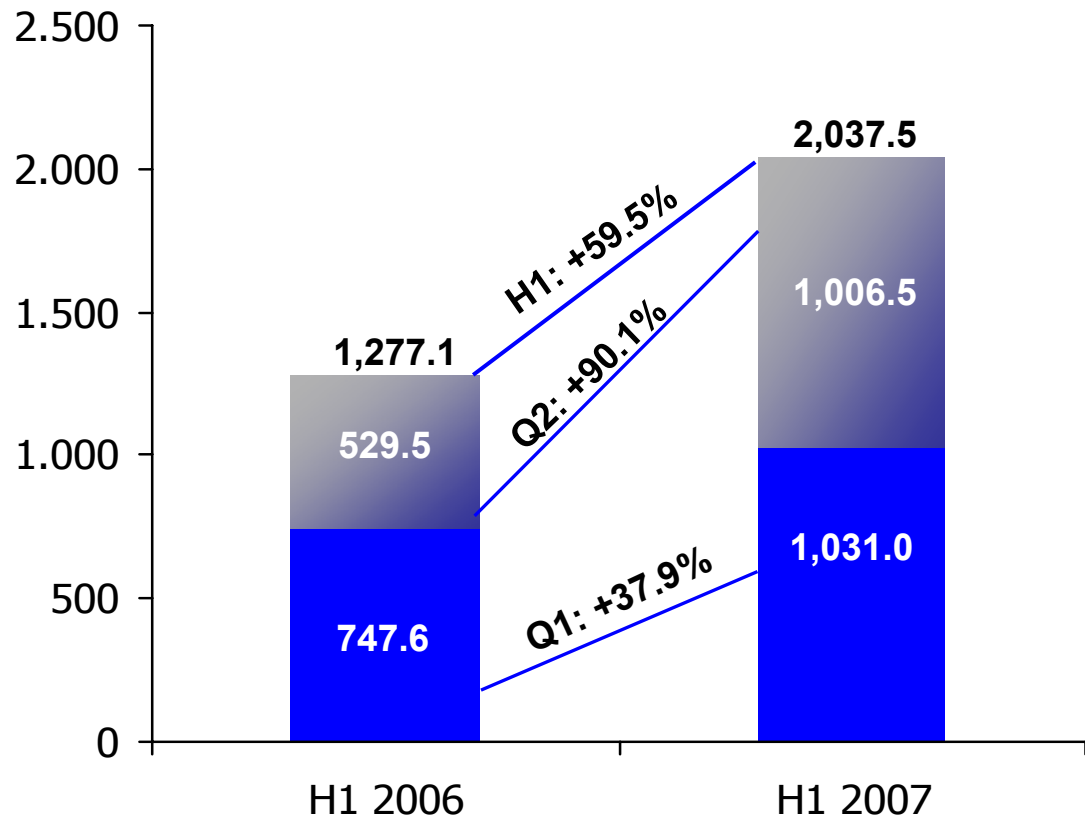


- H1 2007: Increase of Earnings slightly below Sales growth
- EBITA margin of 5.7% in H1 2007 slightly below reference period of last year (H1 2006: 6.0%)



Increase in Order Intake

Andritz Group; in MEUR



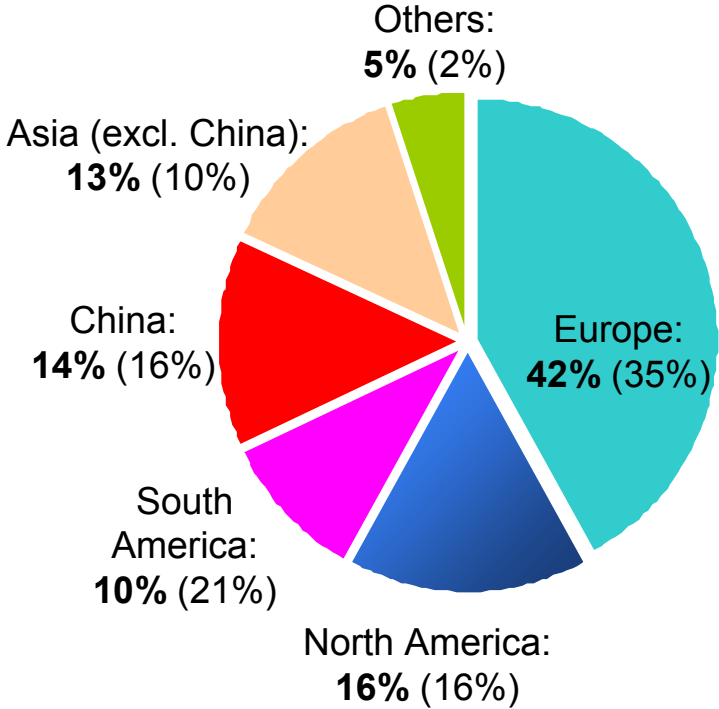
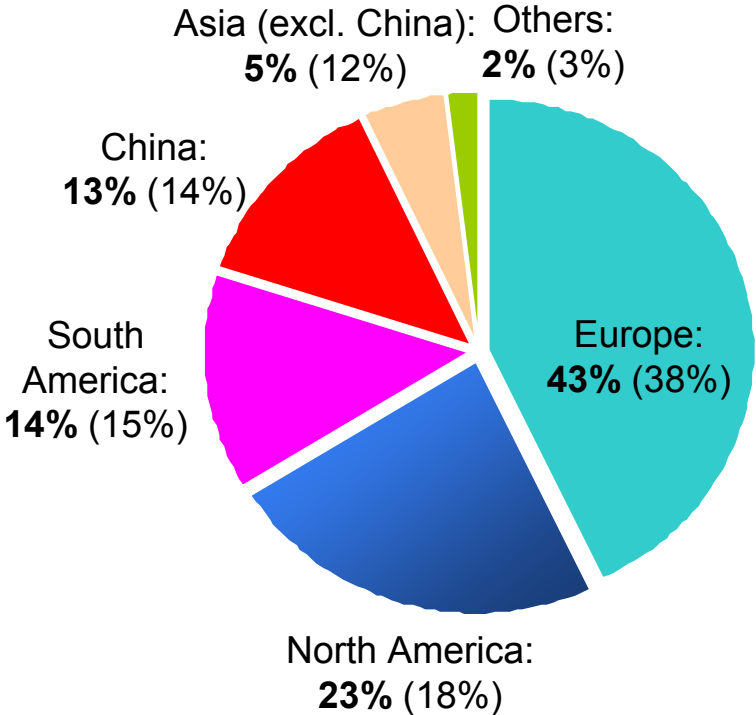
- Order Intake in Q2 2007, at 1,006.5 MEUR, significantly increased compared to reference period of last year (+90.1%)
- Favorable development of Order Intake in all Business Areas, especially in Pulp and Paper, Rolling Mills and Strip Processing Lines, and Hydro Power

Order Intake and Sales by region

Order Intake

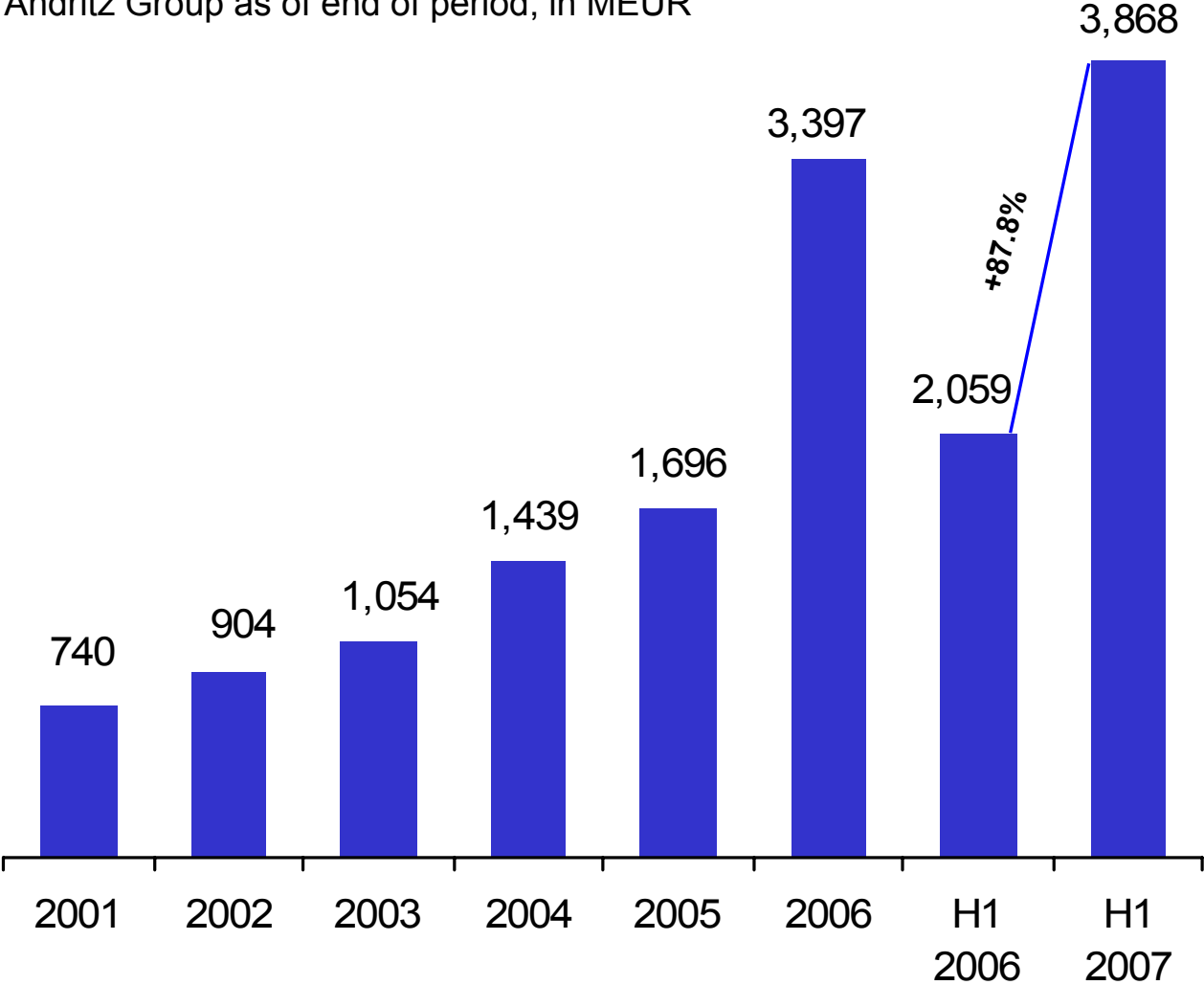
Sales

H1 2007 (H1 2006)



Order Backlog reaches record level

Andritz Group as of end of period; in MEUR



Order Backlog as of end of H1 2007 by Business Area:

Pulp and Paper: 1,318.3 MEUR (+8.2% vs. H1 2006)

Hydro Power*: 1,827.7 MEUR (change vs. H1 2006 not meaningful)

Rolling Mills: 492.1 MEUR (+3.0% vs. H1 2006)

Environment and Process: 187.1 MEUR (-24.2% vs. H1 2006)

Feed and Biofuel: 42.7 MEUR (+15.7% vs. H1 2006)

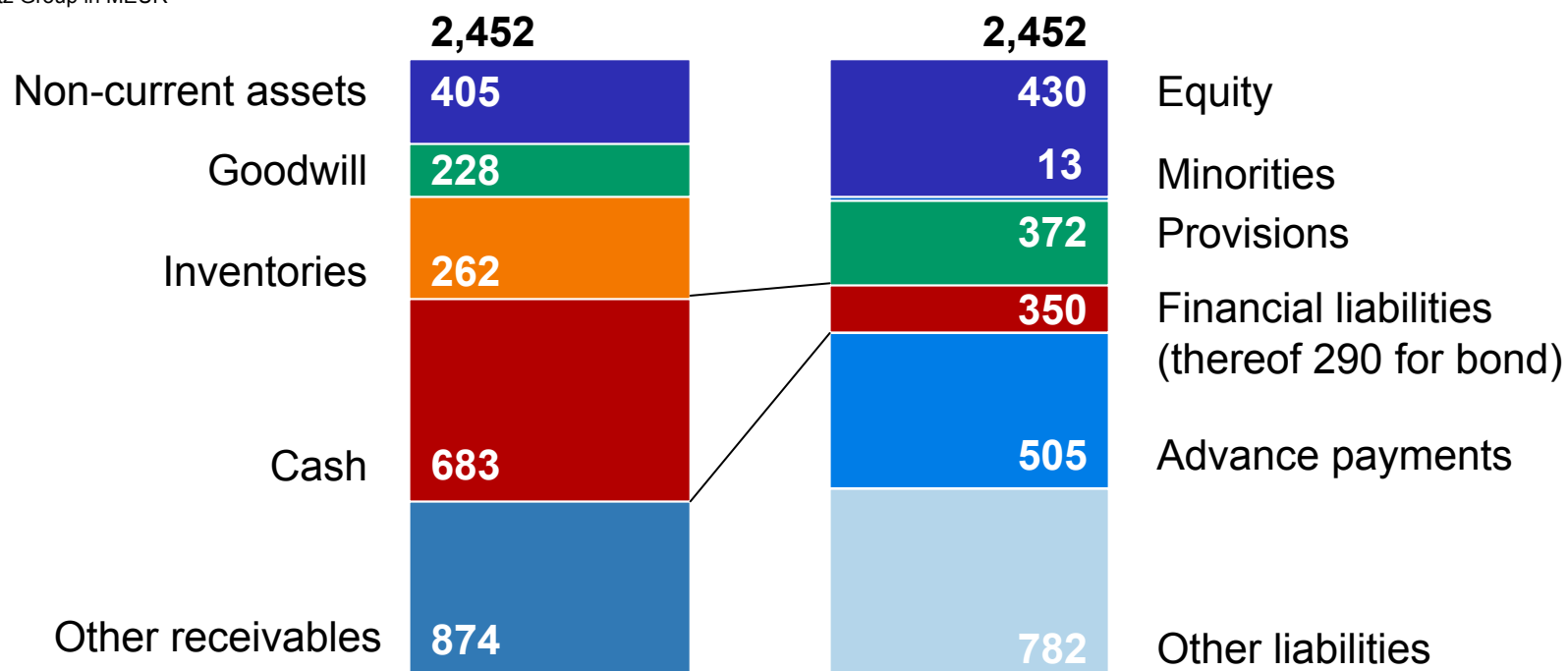
*) Consolidation of VA TECH HYDRO from Q3 2006, no pro-forma figures for the reference periods available



Balance sheet structure

Balance sheet as of 30.6.2007

Andritz Group in MEUR



- No major changes of the balance sheet structure compared to 31.12.2006
- Net liquidity as of 30.6.2007, at 332.9 MEUR, still at very high level (31.12.2006: 365.7 MEUR)
- Equity ratio as of 30.6.2007 amounted to 18.1% (31.12.2006: 17.4%)



Pulp and Paper

- Market: continued good project activity for both new plants and modernizations with focus on South America, Australia, China, and Europe
- Significant increase in Order Intake in Q2 2007, thus more than offsetting the shortfall of Q1 2007
- Sales and Earnings up compared to reference period of last year

Key figures in MEUR (IFRS)	H1 2006	H1 2007	+/-	Q2 2006	Q2 2007	+/-
Order Intake	748.4	914.6	+22.2%	315.4	534.7	+69.5%
Order Backlog (as of end of period)	1,218.1	1,318.3	+8.2%	1,218.1	1,318.3	+8.2%
Sales	539.5	704.7	+30.6%	289.7	372.2	+28.5%
EBITDA	37.8	47.9	+26.7%	21.8	28.8	+32.1%
EBITDA margin	7.0%	6.8%	-	7.5%	7.7%	-
EBITA	31.4	39.0	+24.2%	18.2	24.1	+32.4%
EBITA margin	5.8%	5.5%	-	6.3%	6.5%	-
Employees (as of end of period)	3,675	4,369	+18.9%	3,675	4,369	+18.9%



Hydro Power

- Market: continued good project activity for hydropower equipment (for both new plants and modernizations); continued strong growth of Andritz's pump business in China
- Order Intake of VA TECH HYDRO, at 512.6 MEUR in H1 2007, substantially above expectations; Sales of 331.8 MEUR in H1 2007
- EBITA margin in H1 2007, at 4.1%, in line with expectations

Key figures ^{*)} in MEUR (IFRS)	H1 2006	H1 2007	+/-	Q2 2006	Q2 2007	+/-
Order Intake	50.3	551.3	+996.0%	29.3	257.3	+778.2%
Order Backlog (as of end of period)	79.5	1,827.7	+2,199.0%	79.5	1,827.7	+2,199.0%
Sales	31.5	374.5	+1,088.9%	20.3	212.5	+946.8%
EBITDA	3.6	22.3	+519.4%	1.9	11.4	+500.0%
EBITDA margin	11.4%	6.0%	-	9.4%	5.4%	-
EBITA	2.4	15.5	+545.8%	1.4	7.9	+464.3%
EBITA margin	7.6%	4.1%	-	6.9%	3.7%	-
Employees (as of end of period)	503	3,848	+665.0%	503	3,848	+665.0%

*) Consolidation of VA TECH HYDRO from Q3 2006, no pro-forma reference figures available; changes vs. reference periods not meaningful



Rolling Mills and Strip Processing Lines

- Market: continued high project activity for steel and stainless steel equipment; mainly focused on China, India, the USA, and Europe
- Order Intake in H1 2007 significantly up compared to reference period of last year
- Strong increases in Sales and Earnings

Key figures in MEUR (IFRS)	H1 2006	H1 2007	+/-	Q2 2006	Q2 2007	+/-
Order Intake	199.7	303.2	+51.8%	63.6	86.3	+35.7%
Order Backlog (as of end of period)	477.9	492.1	+3.0%	477.9	492.1	+3.0%
Sales	174.4	213.5	+22.4%	91.9	92.0	+0.1%
EBITDA	10.9	15.8	+45.0%	4.8	6.5	+35.4%
EBITDA margin	6.3%	7.4%	-	5.2%	7.1%	-
EBITA	9.8	14.4	+46.9%	4.1	5.7	+39.0%
EBITA margin	5.6%	6.7%	-	4.5%	6.2%	-
Employees (as of end of period)	793	855	+7.8%	793	855	+7.8%



Environment and Process

- Market: continued solid project activity for liquid/solid separation equipment for industrial applications (mining, steel); slow market for thermal drying
- High Order Intake for separation equipment leads to increase in Order Intake in Q2 2007, thus partially offsetting the shortfall of Q1 2007; low Order Intake in thermal drying
- Sales and Earnings up compared to reference period of last year

Key figures in MEUR (IFRS)	H1 2006	H1 2007	+/-	Q2 2006	Q2 2007	+/-
Order Intake	210.8	188.9	-10.4%	83.6	90.9	+8.7%
Order Backlog (as of end of period)	246.7	187.1	-24.2%	246.7	187.1	-24.2%
Sales	167.3	177.9	+6.3%	86.5	98.3	+13.6%
EBITDA	12.3	14.4	+17.1%	6.6	7.9	+19.7%
EBITDA margin	7.4%	8.1%	-	7.6%	8.0%	-
EBITA	9.7	11.8	+21.6%	5.2	6.5	+25.0%
EBITA margin	5.8%	6.6%	-	6.0%	6.6%	-
Employees (as of end of period)	1,286	1,335	+3.8%	1,286	1,355	+3.8%



Feed and Biofuel

- Market: continued strong demand for wood pelleting and biomass equipment, especially in the U.S. and Europe; good project activity for animal feed equipment
- Strong organic growth of Order Intake in H1 2007 (+17.1% vs. H1 2006)
- Increases in Sales, Earnings, and Profitability

Key figures in MEUR (IFRS)	H1 2006	H1 2007	+/-	Q2 2006	Q2 2007	+/-
Order Intake	67.9	79.5	+17.1%	37.6	37.3	-0.8%
Order Backlog (as of end of period)	36.9	42.7	+15.7%	36.9	42.7	+15.7%
Sales	54.8	66.4	+21.2%	27.5	31.1	+13.1%
EBITDA	5.6	7.5	+33.9%	2.8	3.8	+35.7%
EBITDA margin	10.2%	11.3%	-	10.2%	12.2%	-
EBITA	4.4	6.7	+52.3%	2.2	3.4	+54.5%
EBITA margin	8.0%	10.1%	-	8.0%	10.9%	-
Employees (as of end of period)	509	539	+5.9%	509	539	+5.9%



Results for Q2 2007 and H1 2007 at a glance

Andritz Group in MEUR (IFRS)	H1 2006	H1 2007	+/-	Q2 2006	Q2 2007	+/-
Order Intake	1,277.1	2,037.5	+59.5%	529.5	1,006.5	+90.1%
Order Backlog (as of end of period)	2,059.1	3,867.9	+87.8%	2,059.1	3,867.9	+87.8%
Sales	967.5	1,537.0	+58.9%	515.9	806.1	+56.3%
EBITDA	70.2	107.9	+53.7%	37.9	58.4	+54.1%
EBITDA margin	7.3%	7.0%	-	7.3%	7.2%	-
EBITA	57.7	87.4	+51.5%	31.1	47.6	+53.1%
EBITA margin	6.0%	5.7%	-	6.0%	5.9%	-
Earnings before taxes	59.9	87.7	+46.4%	32.0	47.1	+47.2%
Net Income before minorities	41.4	63.0	+52.2%	21.8	33.9	+55.5%
Net Income after minorities	39.9	61.6	+54.4%	21.0	33.1	+57.6%
Employees (as of end of period)	6,766	10,946	+61.8%	6,766	10,946	+61.8%



Outlook for full year 2007

- Overall solid economic environment
- Continued good project activity expected in all Business Areas:
 - **Pulp and Paper:** modernizations/upgrades mainly in Europe, and some green field pulp mills in Australia
 - **Hydro Power:** unchanged good project activity worldwide, with focus on Asia and South America (esp. new plants) as well as North America and Europe (esp. modernizations)
 - **Steel:** high project activity in all of the world's major steel producing regions to continue
 - **Environment and Process:** continued high demand for industrial dewatering applications equipment; slow market activities in thermal drying to continue
- Increase in Group Sales to approx. 3.2 billion Euros in 2007 (~+18.5% vs. 2006) expected
- Group Net Income is expected to increase in line with Sales

