



The ANDRITZ GROUP

Company presentation March 2012

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Company profile

A world market leader in most business areas



HYDRO
40-45%*

Electromechanical equipment for hydropower plants (mainly turbines and generators); pumps; turbo generators



PULP & PAPER
30-35%*

Systems for the production of all types of pulp and of certain paper grades (tissue, cartonboard); boilers



SEPARATION
10%*

Equipment for the mechanical and thermal solid/liquid separation for municipalities and various industries



METALS
10%*

Systems for the production and processing of stainless steel and carbon steel strips; industrial furnaces



FEED & BIOFUEL
5%*

Systems for the production of animal feed pellets (pet and fish food) and biomass pellets (wood, straw)

* Long-term average share of the Group's total order intake

Strengthening of the market position

Growth through organic expansion and acquisitions

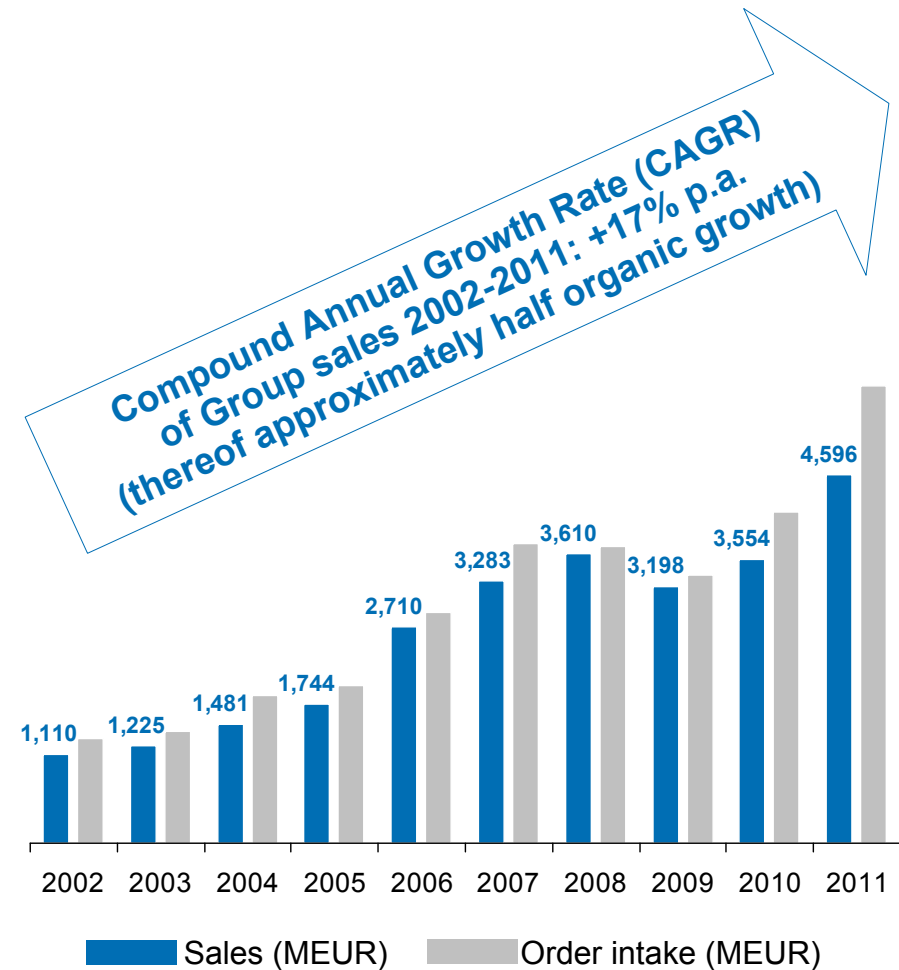
HYDRO	
2006	VA TECH HYDRO
2007	Tigép
2008	GE Hydro business
2008	GEHI (JV)
2010	Precision Machine
2010	Hammerfest Strøm (55%)
2010	Ritz
2011	Hemicycle Controls

METALS	
1997	Sundwig
1998	Thermtec
2000	Kohler
2002	SELAS SAS Furnace Div.
2004	Kaiser
2005	Lynson
2008	Maerz

SEPARATION	
1992	TCW Engineering
1996	Guinard
2002	3SYS
2004	Bird Machine
2004	NETZSCH Filtration
2004	Fluid Bed Systems of VA TECH WABAG
2005	Lenser Filtration
2006	CONTEC Decanter
2009	Delkor Capital Equipment
2009	Frautech
2010	KMPT

PULP & PAPER	
1990	Sprout-Bauer
1992	Durametal
1994	Kone Wood
1998	Kvaerner Hymac
1999	Winberg
2000	Ahlstrom Machinery
2000	Lamb Baling Line
2000	Voith Andritz Tissue LLC (JV)
2002	ABB Drying
2003	IDEAS Simulation
2003	Acutest Oy
2003	Fiedler
2004	EMS (JV)
2005	Cybermetrics
2005	Universal Dynamics Group
2006	Küsters
2006	Carbona
2006	Pilão
2007	Bachofen + Meier
2007	Sindus
2008	Kufferath
2009	Rollteck
2010	Rieter Perfojet
2010	DMT/Biax
2011	AE&E Austria
2011	Iggesund Tools
2011	Tristar Industries
2011	Asselin-Thibeau

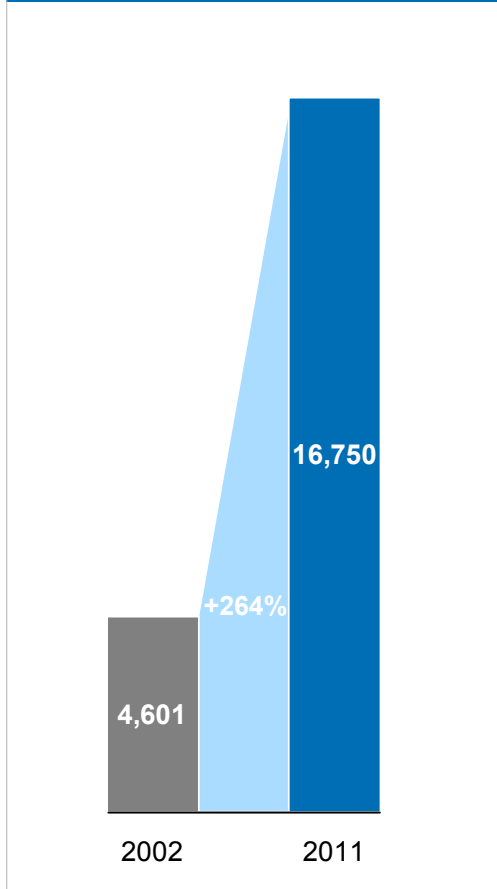
FEED & BIOFUEL	
1995	Jesma-Matador
2000	UMT
2005	Chemes Strojarne



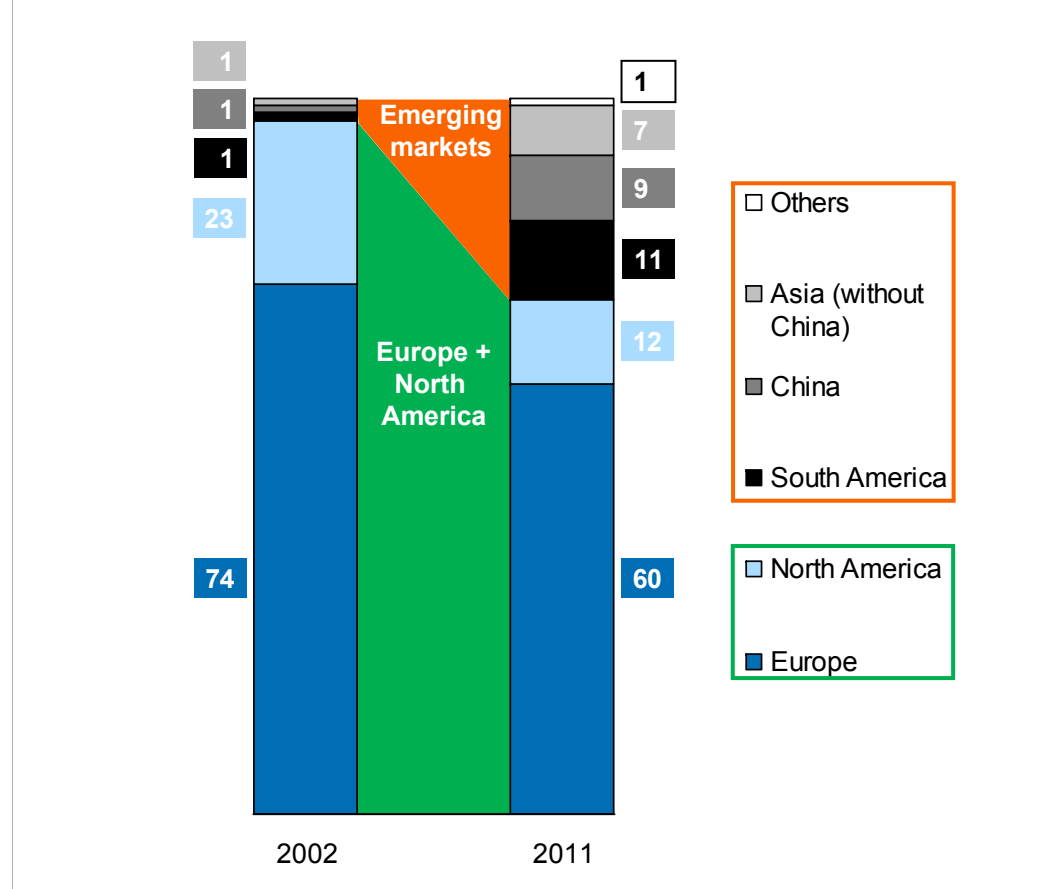
16,750 employees worldwide as of end of 2011

Geographically well balanced

Employees 2002 vs. 2011

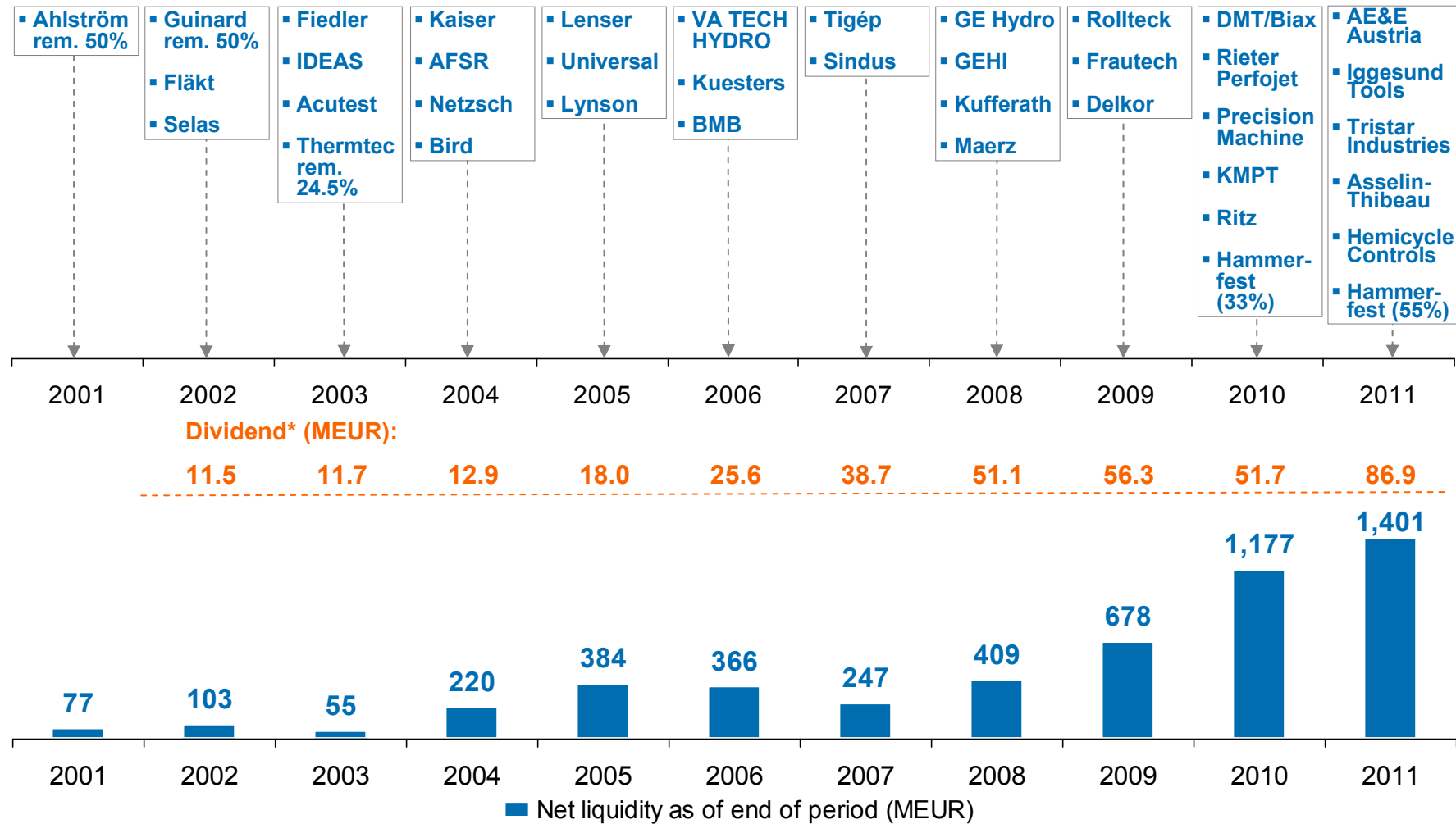


Employees by region 2002 vs. 2011 (%)



Strong net cash position

Stable development despite acquisitions

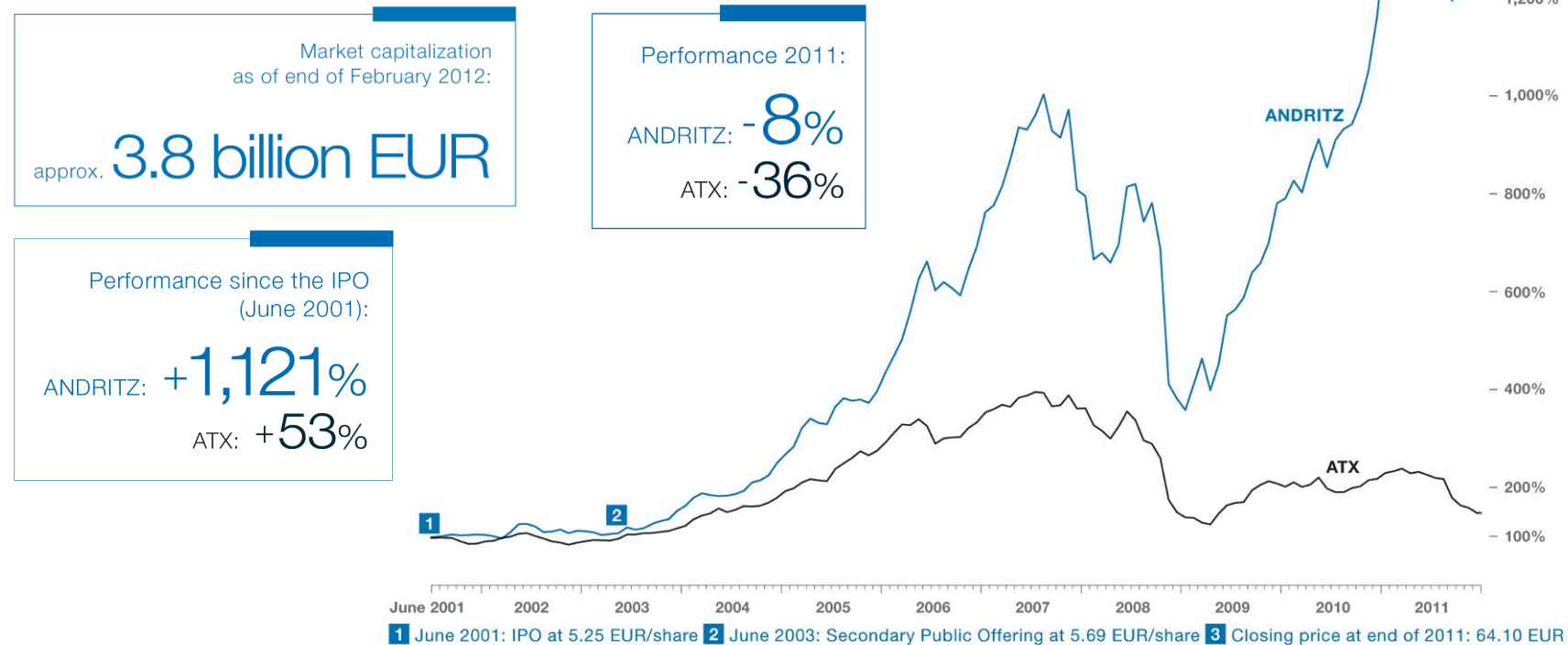


* Paid out after AGM for the previous year

ANDRITZ share

Solid performance, broad research coverage

Relative share price performance of the ANDRITZ share versus the ATX since the IPO



Broad research coverage

Baader Bank, Bank of America-Merrill Lynch, Berenberg Bank, Cheuvreux, Commerzbank, Deutsche Bank, Erste Bank, Goldman Sachs, Hauck & Aufhäuser, HSBC, J.P. Morgan, Kepler Capital Markets, RCB, UBS

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Key developments 2011 at a glance

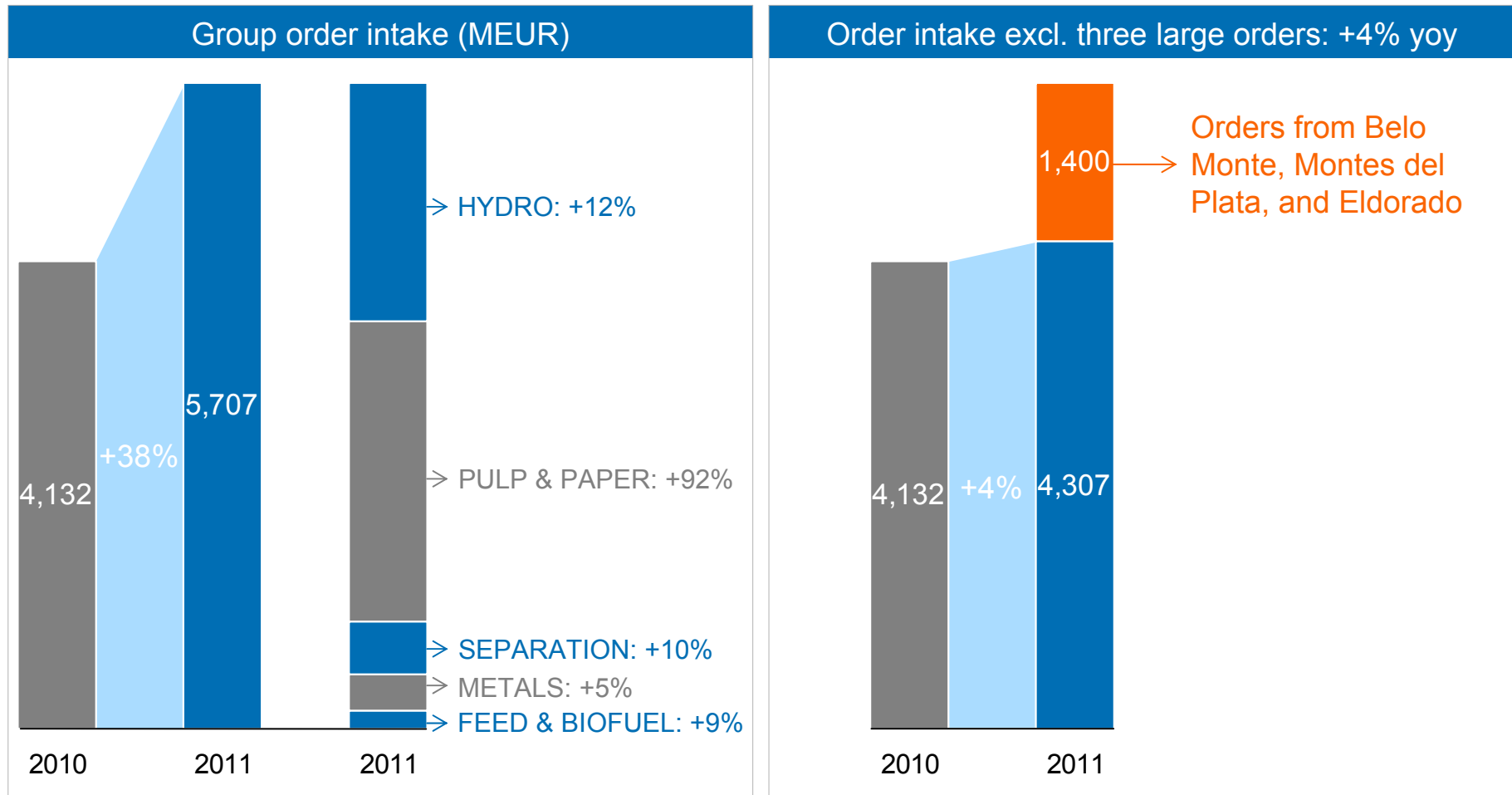
	2011	2010	+/-
Order intake: strong increase mainly due to HYDRO and PULP & PAPER (three large orders)	5,707 MEUR	4,132 MEUR	+38%
Order backlog: increase in all business areas, except METALS	6,683 MEUR	5,291 MEUR	+26%
Sales: increase mainly driven by PULP & PAPER, HYDRO, and SEPARATION	4,596 MEUR	3,554 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: further 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)

Order intake at record level

Mostly driven by PULP & PAPER and HYDRO

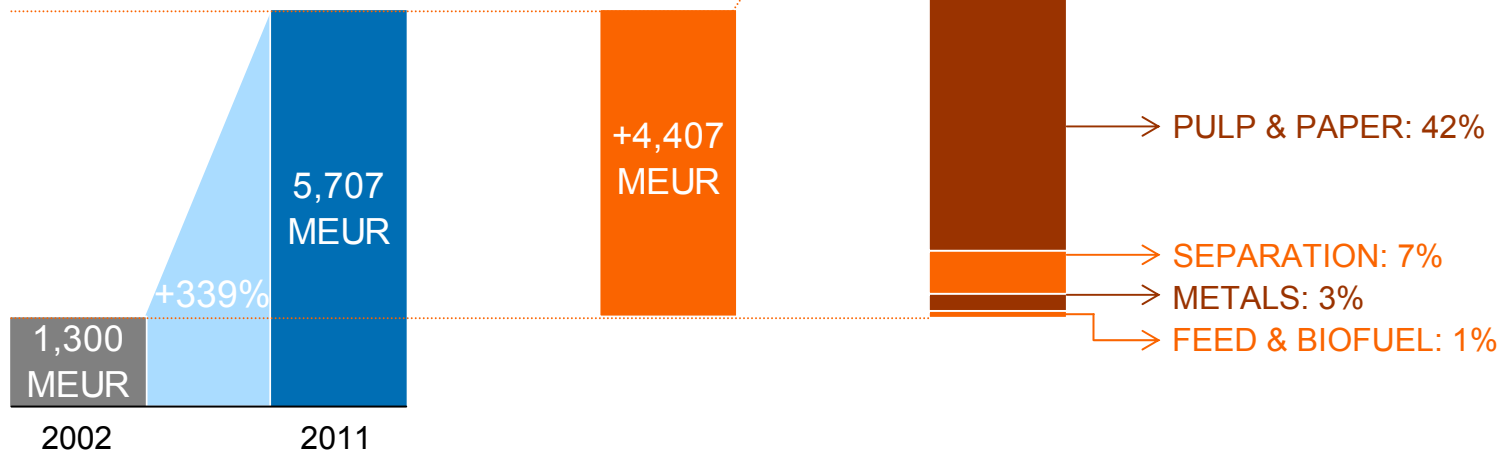


Order intake 2002-2011: Group CAGR of +16%

Main growth drivers: HYDRO, PULP & PAPER, SEPARATION

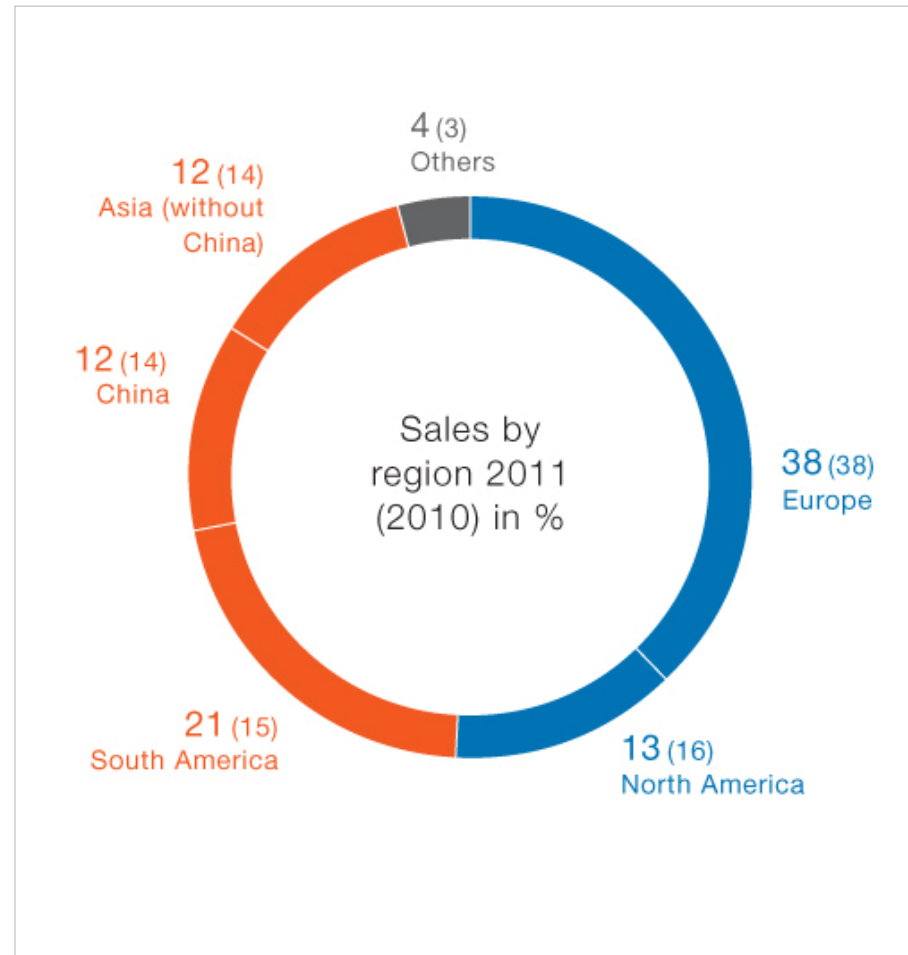
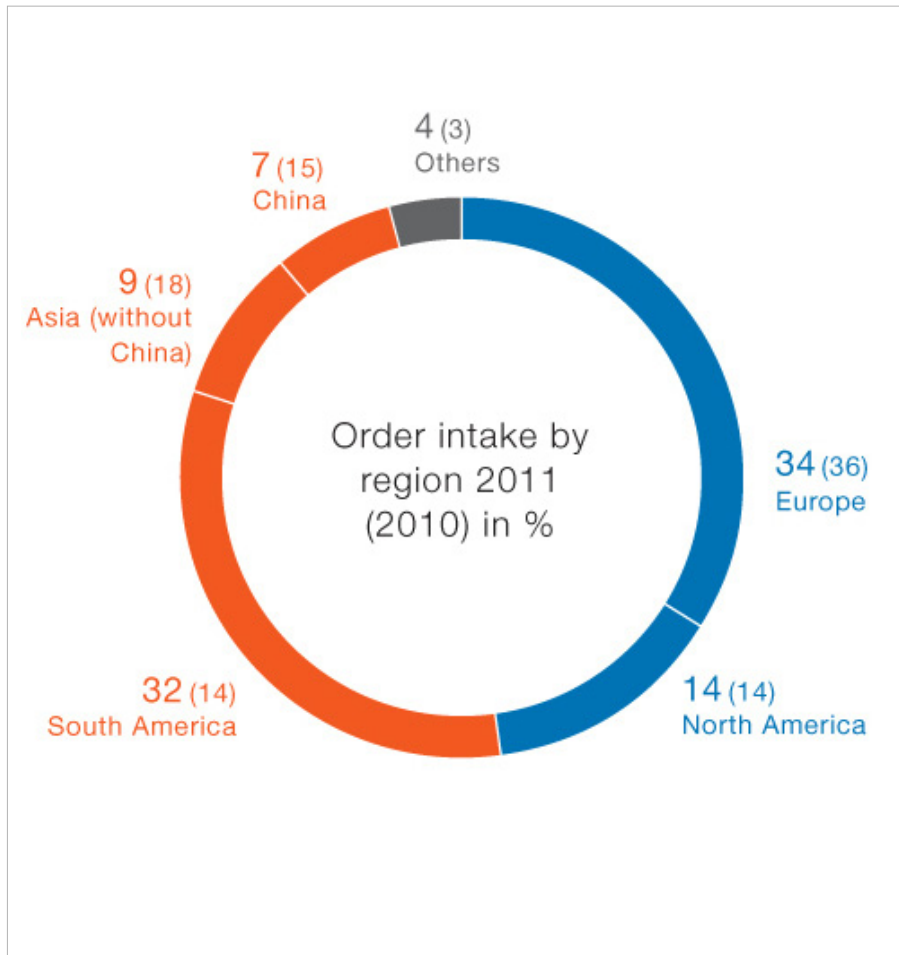
Share of order intake by business area and CAGR (%)			
	2002	2011	CAGR
HYDRO	2	37	+61
PULP & PAPER	65	47	+14
SEPARATION	11	8	+14
METALS	14	5	+7
FEED & BIOFUEL	8	3	+5

Order intake of the Group 2002 vs. 2011



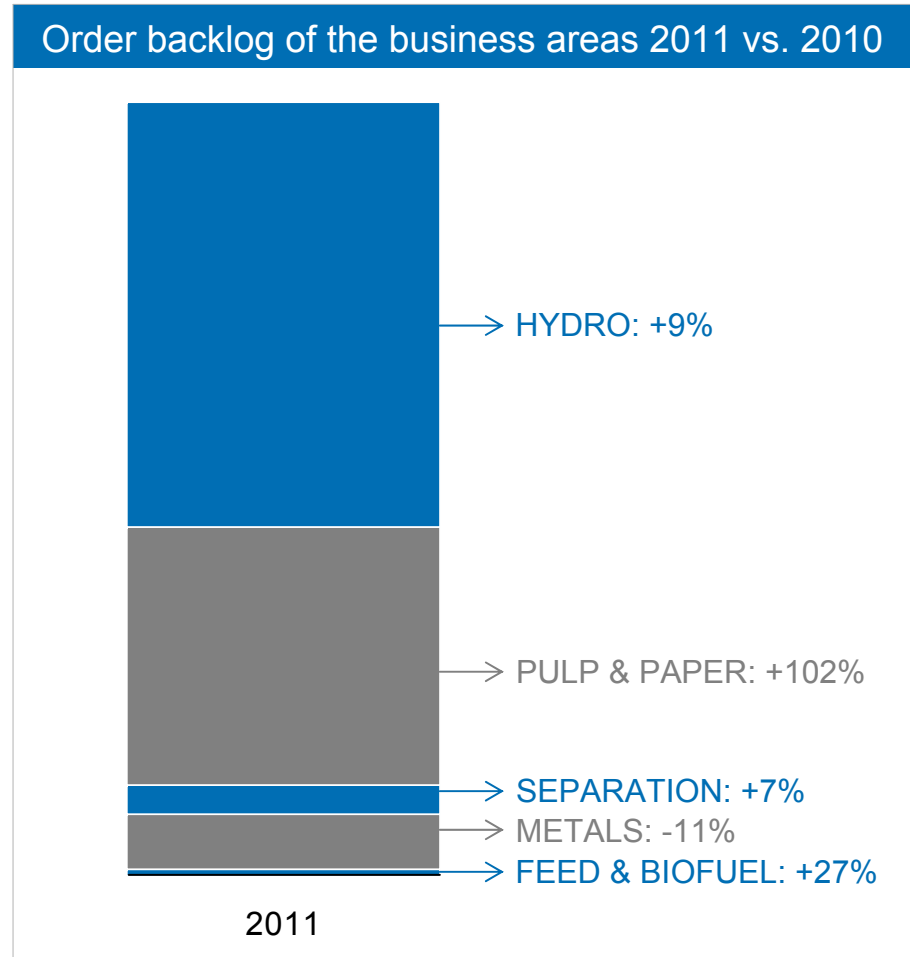
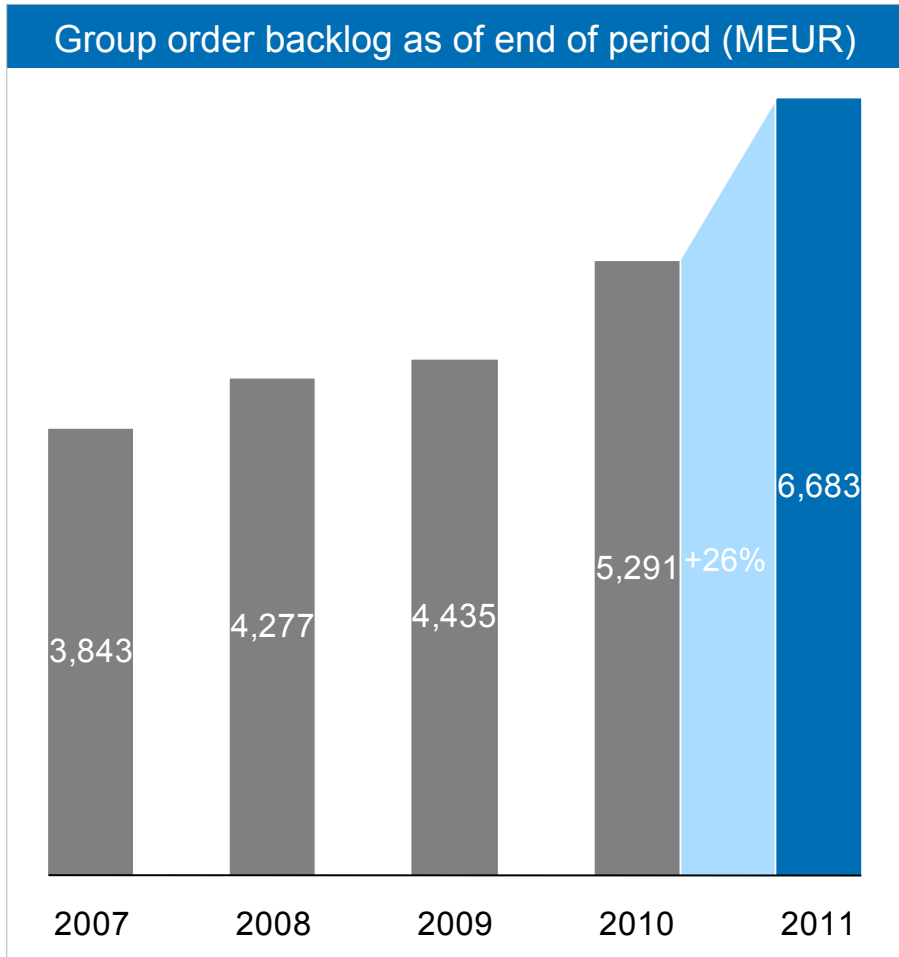
Order intake and sales by region

Geographically well balanced



Solid order backlog

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



HYDRO

Continued favorable market environment

- Market: continued favorable market conditions
 - Good investment activity for modernization 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%

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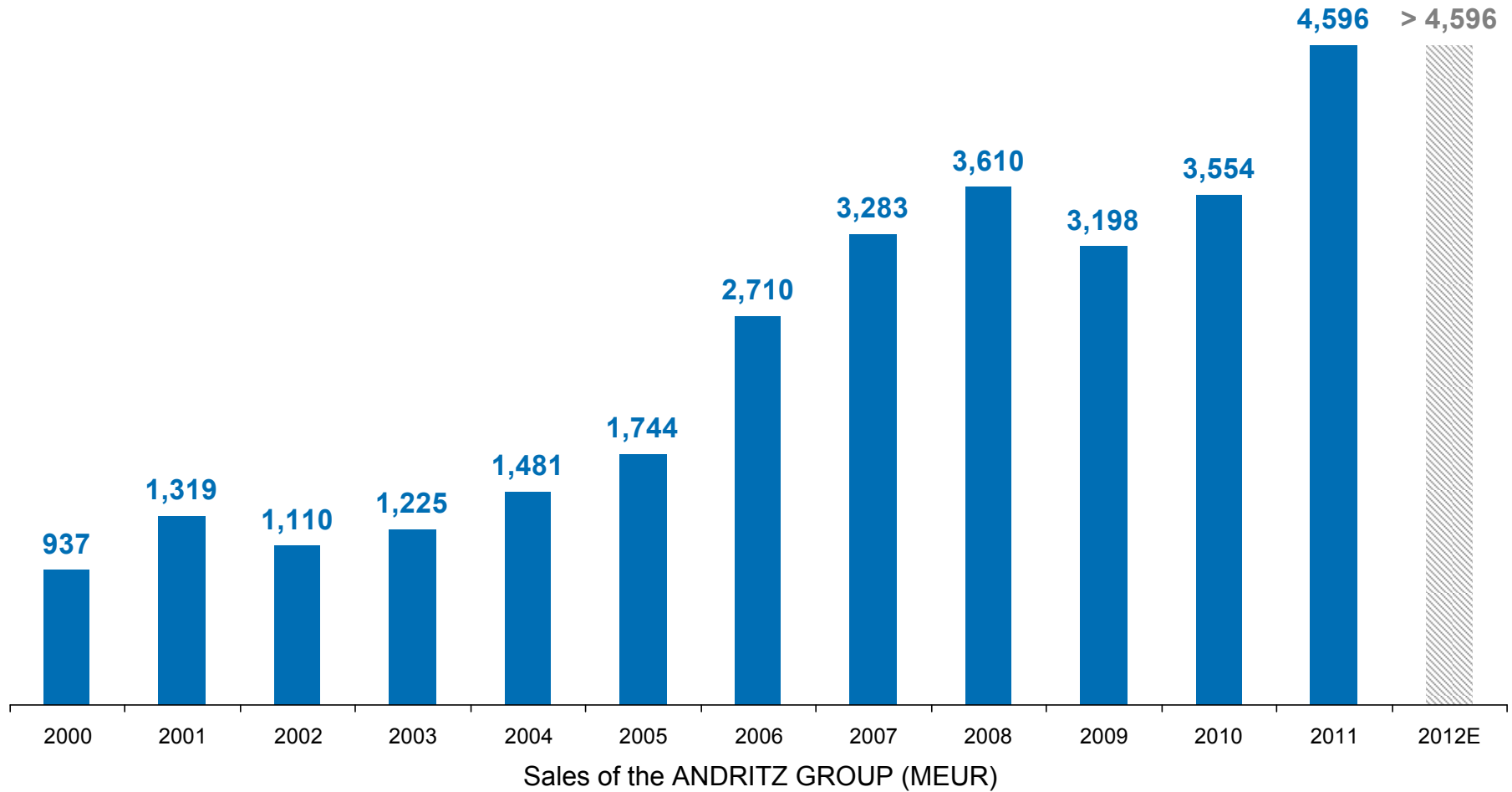
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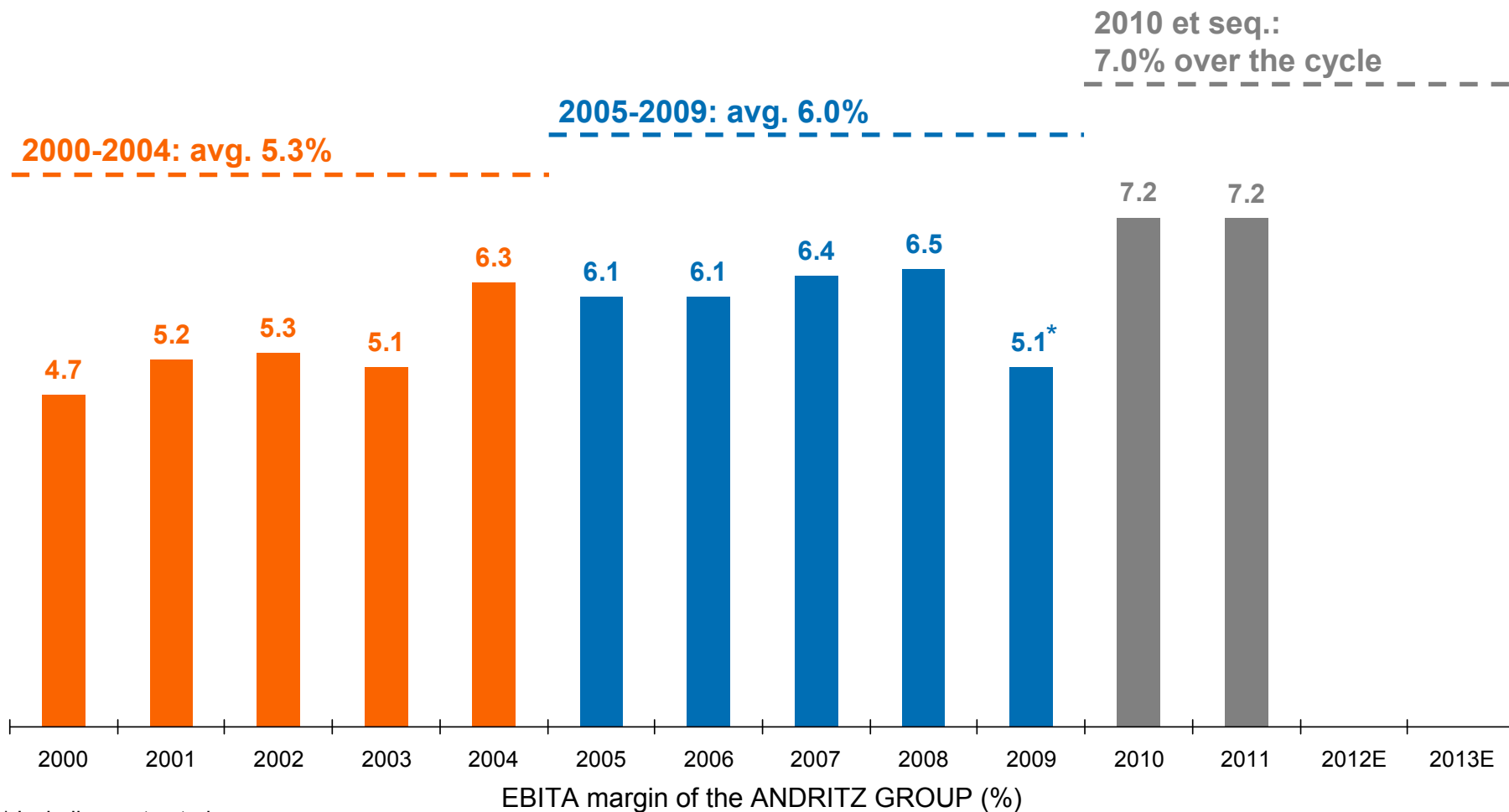
Long-term sales growth of 10% confirmed

Sales increase for 2012 expected due to high order intake 2011



Long-term EBITA margin goal confirmed

7.0% over the cycle



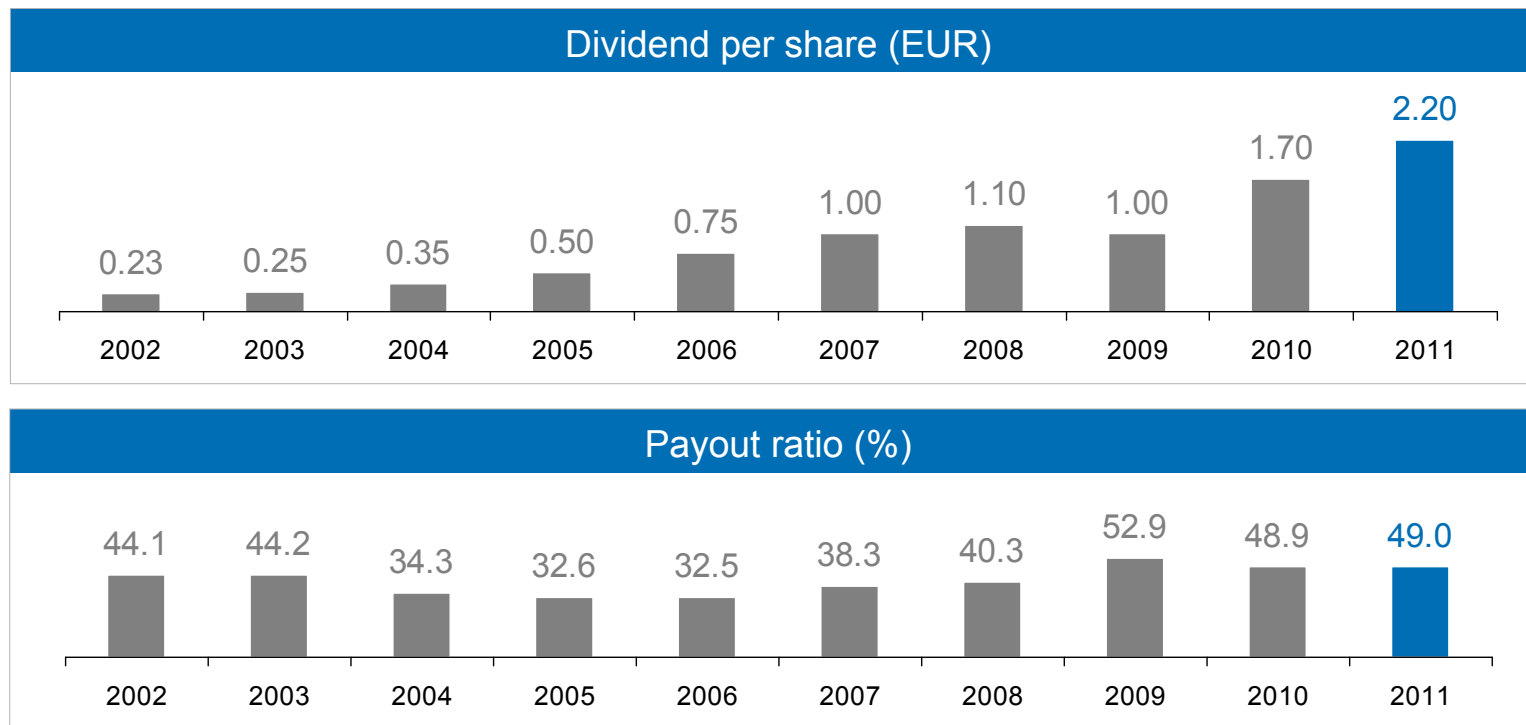
* Including restructuring expenses

Consistent dividend policy

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%



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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

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.