

Press release

Strong demand from Austrian and international investors for ANDRITZ corporate bond

- **Due to strong demand, subscription period terminated today prematurely**
- **Volume issued: 350 MEUR**
- **Coupon: 3.875%**
- **Two thirds subscribed by Austrian private investors**

Graz, July 4, 2012. The 2012-2019 corporate bond issued by ANDRITZ AG has aroused great interest among both private and institutional investors in Austria and abroad. Due to the strong demand – the order book was oversubscribed within a few hours – a volume of 350 MEUR could be placed, and the subscription period was terminated today prematurely. Two thirds of the volume was subscribed by Austrian private investors and one third by banks, funds, and insurance companies. Just under 75% of the total volume was placed in Austria, with the remainder divided evenly between Germany and Switzerland. An application has been made to the Vienna Stock Exchange for admission to listing on the Second Regulated Market. The first price of the bond will be quoted on July 9, 2012.

Erste Group Bank AG and UniCredit Bank Austria AG managed the issue as joint lead managers

The joint lead managers of the transaction put the success of the bond issue down to the fact that the ANDRITZ GROUP is very well known, to its solid credit-rating, and to the good general state of the market at the moment. Franz Hochstrasser, Executive Board Member at Erste Group Bank AG: *“The ANDRITZ GROUP is a prime example of an industrial company with goal-oriented growth. The Group has also continued its growth strategy very consistently over the past few years. From the point of view of the bond investor, ANDRITZ stands out due to its very solid liquidity profile, with the key figures for debt servicing capacity in the upper investment grade sector.”* Dieter Hengl, Bank Austria Executive Board Member for Corporate & Investment Banking: *“ANDRITZ is a globally active company with excellent management. The ANDRITZ GROUP bond is a further positive impulse for the domestic bonds market. In the first half of 2012, 14 Austrian corporate bonds were placed successfully with a total volume of around 4.02 billion Euros. Companies that are very well known and have a solid credit rating like ANDRITZ attract not only Austrian private investors, but are also bought by international funds and insurance companies.”*

Key figures of the offering

| | |
|------------------|--|
| Issuing company: | ANDRITZ AG |
| Volume issued: | 350 MEUR |
| Denomination: | 500.-- EUR |
| Coupon: | 3.875% p.a. of nominal value |
| Issue price: | 101.349% (including sales commission of up to 1.5% of the nominal value) |
| Maturity: | 7 years (due on maturity) |

Value date: July 9, 2012
Settlement: July 9, 2019 at nominal value
Paying agent: Erste Group Bank AG
Listing on the stock exchange: Vienna Stock Exchange, application submitted for listing on the Second Regulated Market
ISIN: AT0000A0VLS5

Disclaimer:

This document does not constitute an offer to sell or an invitation to purchase bonds. A prospectus pursuant to the Austrian Capital Market Act (including a supplement and an addendum) has been approved by the Financial Market Authority and is available at the ANDRITZ AG headquarters at Stattegger Strasse 18, A-8045 Graz, as issuing company, during usual business hours as well as at the company's internet site (www.andritz.com). The announcements as required under Article 10 of the Austrian Capital Market Act were published on May 27, 28, and 30, 2012 in the Official Gazette of Wiener Zeitung. Only the information contained in the prospectus (including the supplement and addendum) is binding in connection with the offer for the purchase of securities. Information in the present document is not binding. ANDRITZ AG has consented to the prospectus being used by the joint lead managers of other credit institutions for the purpose of selling bonds as part of a public offering in Austria and Germany, but only until July 9, 2012 at the latest. Certain statements contained in this press release constitute "forward-looking statements." These statements, which contain the words "believe", "intend", "expect", and words of a similar meaning, reflect the Executive Board'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. Investors are called upon to consider in particular the risk and taxation information and the advice concerning conflict of interest contained in the prospectus.

– End –

For further information, please contact:

Oliver Pokorny
Group Treasury, Corporate Communications & Investor Relations
Phone: +43 (316) 6902 1332
oliver.pokorny@andritz.com
www.andritz.com

The ANDRITZ GROUP

International technology Group ANDRITZ is a global leading supplier of plants, equipment and services for hydropower stations, the pulp and paper industry, solid/liquid separation in the municipal and industrial sectors, the steel industry, and the production of animal feed and biomass pellets. In addition, ANDRITZ offers technologies for other sectors including automation, pumps, machinery for nonwovens and plastic films, steam boiler plants, biomass boilers and gasification plants for energy generation, flue gas cleaning plants, plants for the production of panelboard (MDF), thermal sludge utilization, and torrefaction plants. The publicly listed ANDRITZ GROUP is headquartered in Graz, Austria and has a staff of more than 17,000 employees worldwide. ANDRITZ operates over 180 production sites, service, and sales companies all around the world.