



## **Results for the first quarter of 2012**

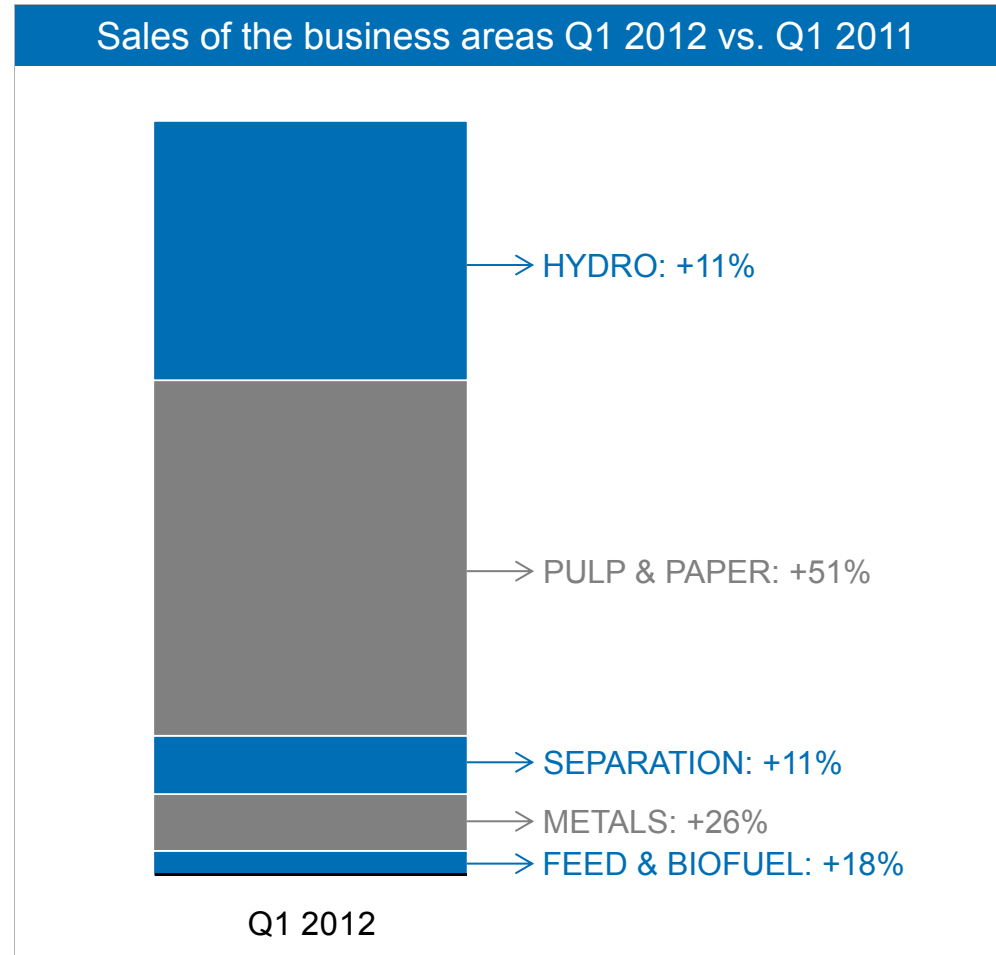
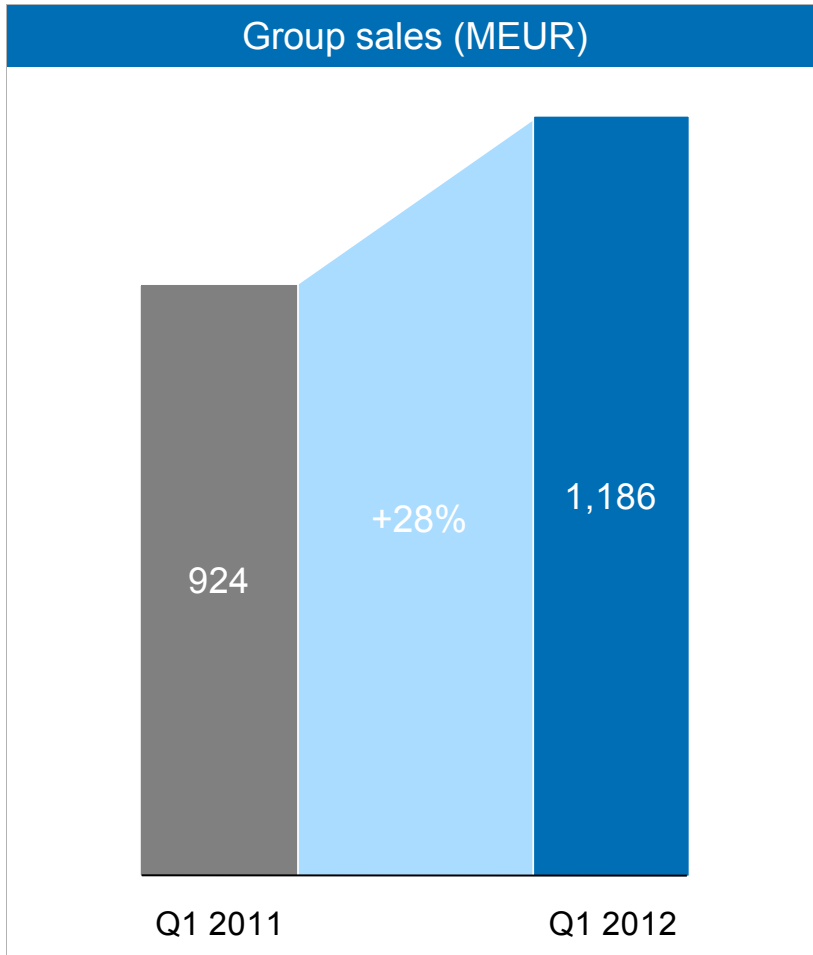
May 4, 2012

## Q1 2012 figures at a glance

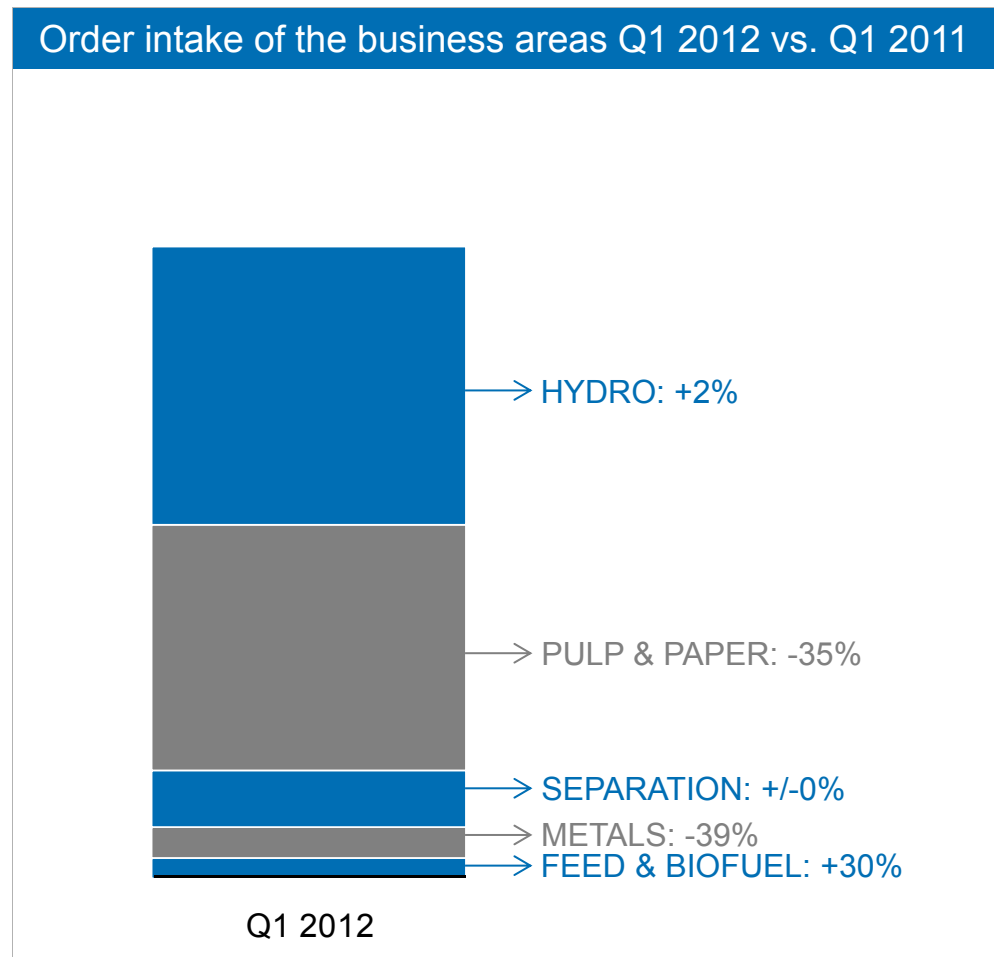
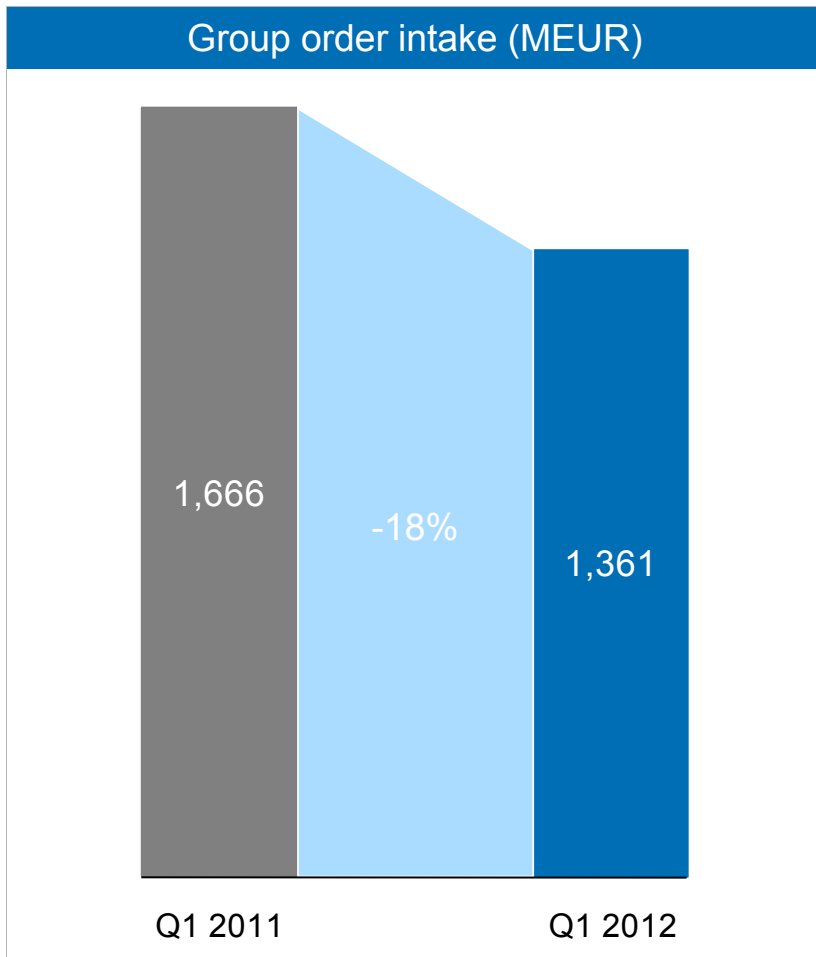
Key figures	Q1 2012	Q1 2011	+/-
<b>Order intake:</b> declined compared to the very high reference figure in Q1 2011 which included one large greenfield PULP & PAPER order; however, still at favorable high level	1,361 MEUR	1,666 MEUR	-18%
<b>Order backlog</b> (as of end of period): substantial increase	7,035 MEUR	6,388 MEUR	+10%
<b>Sales:</b> rise in all business areas, especially in PULP & PAPER	1,186 MEUR	924 MEUR	+28%
<b>EBITA and EBITA margin:</b> EBITA up in line with sales, thus margin unchanged at level of Q1 2011			
▪ EBITA:	▪ 73 MEUR	▪ 56 MEUR	▪ +29%
▪ EBITA margin:	▪ 6.1%	▪ 6.1%	-

Balance sheet	March 31, 2012	March 31, 2011	+/-
<b>Equity ratio:</b> at solid level of approx. 20%	19.5%	17.1%	-
<b>Net liquidity:</b> continuing high cash position	1,301 MEUR	1,312 MEUR	-1%
<b>Net working capital:</b> stable at solid level	-622 MEUR	-726 MEUR	-14%

# Sales: strong increase, mainly driven by PULP & PAPER

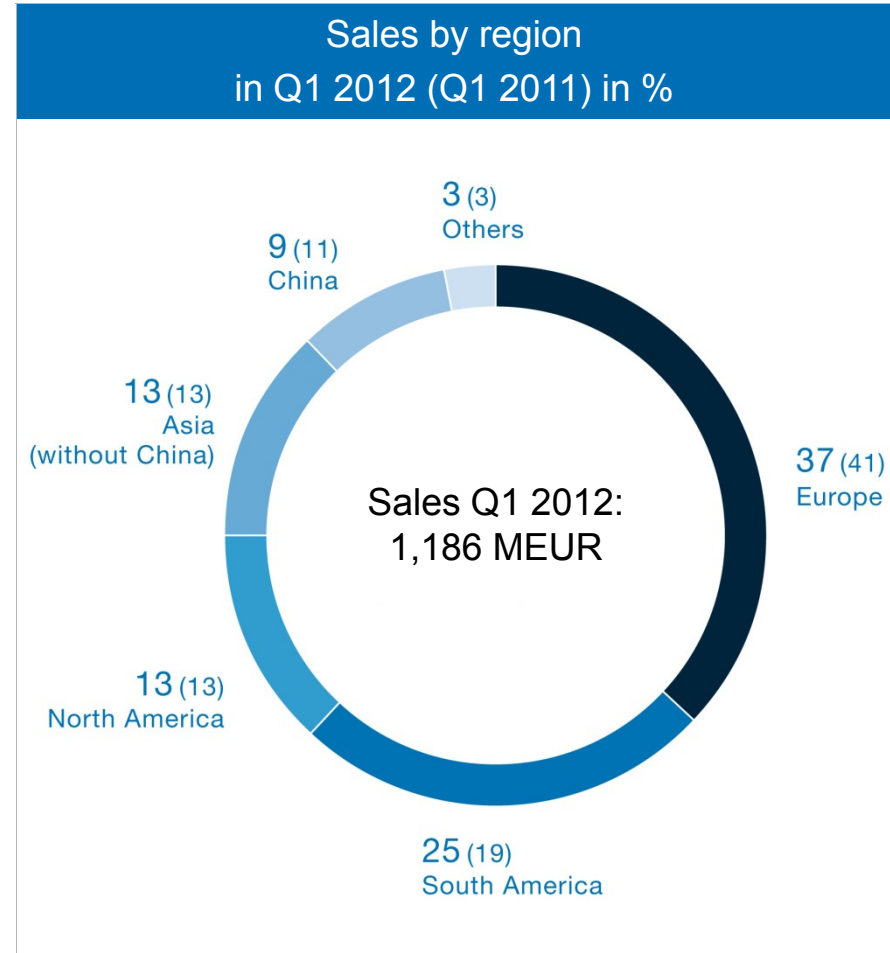
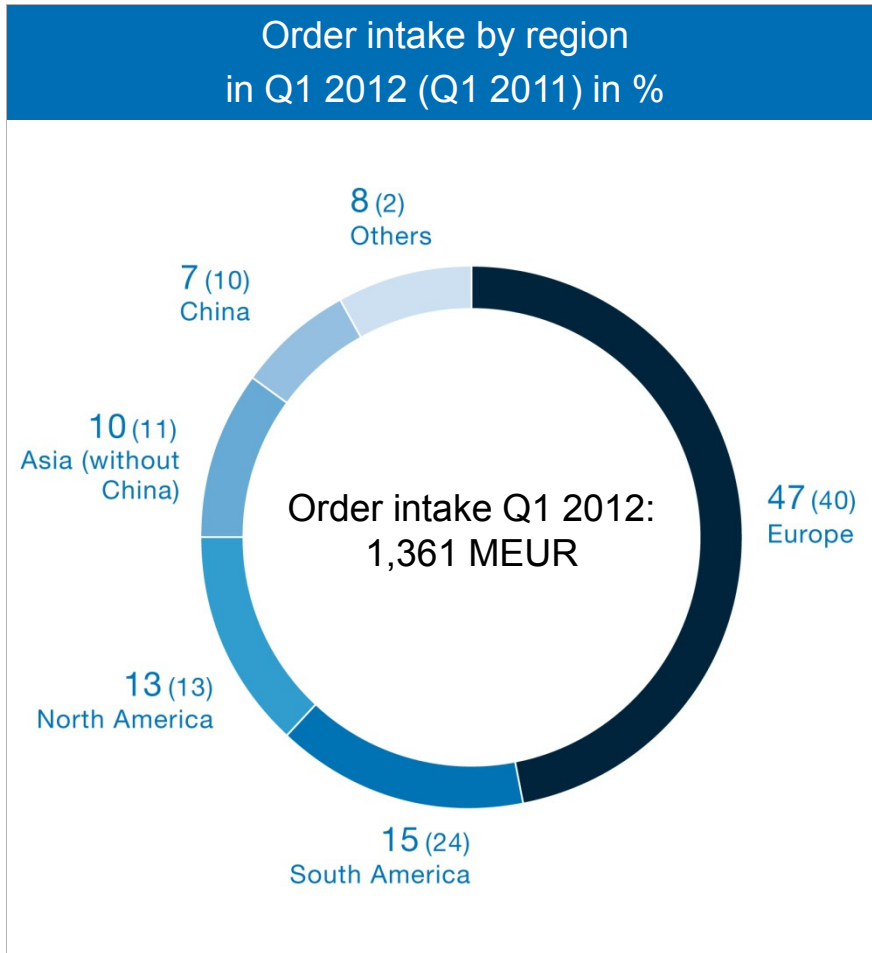


# Order intake: decline vs. very high level of Q1 2011

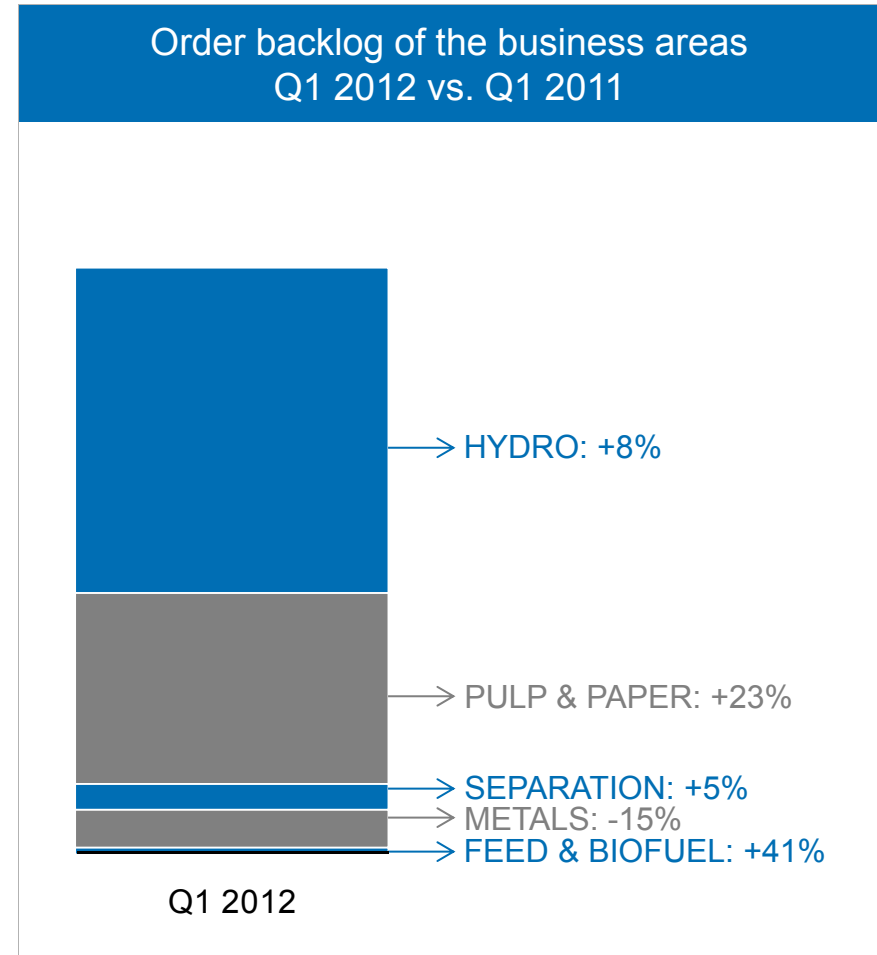
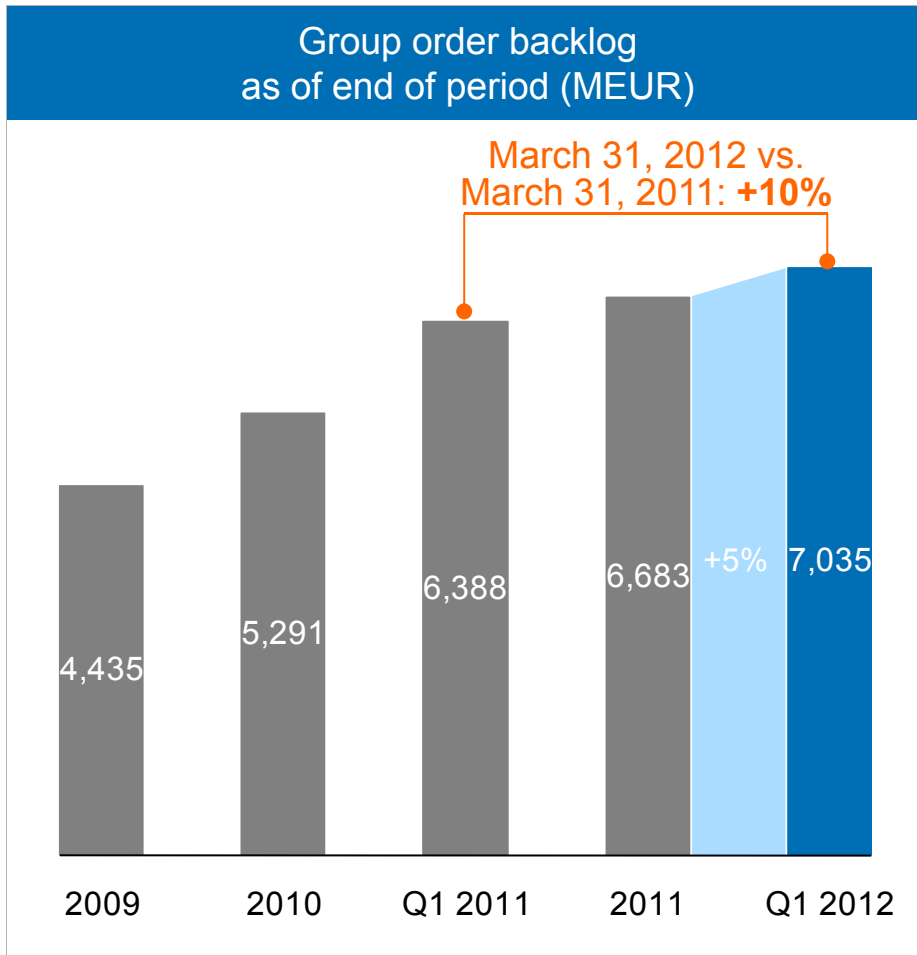


# Order intake and sales by region

Well balanced geographical exposure



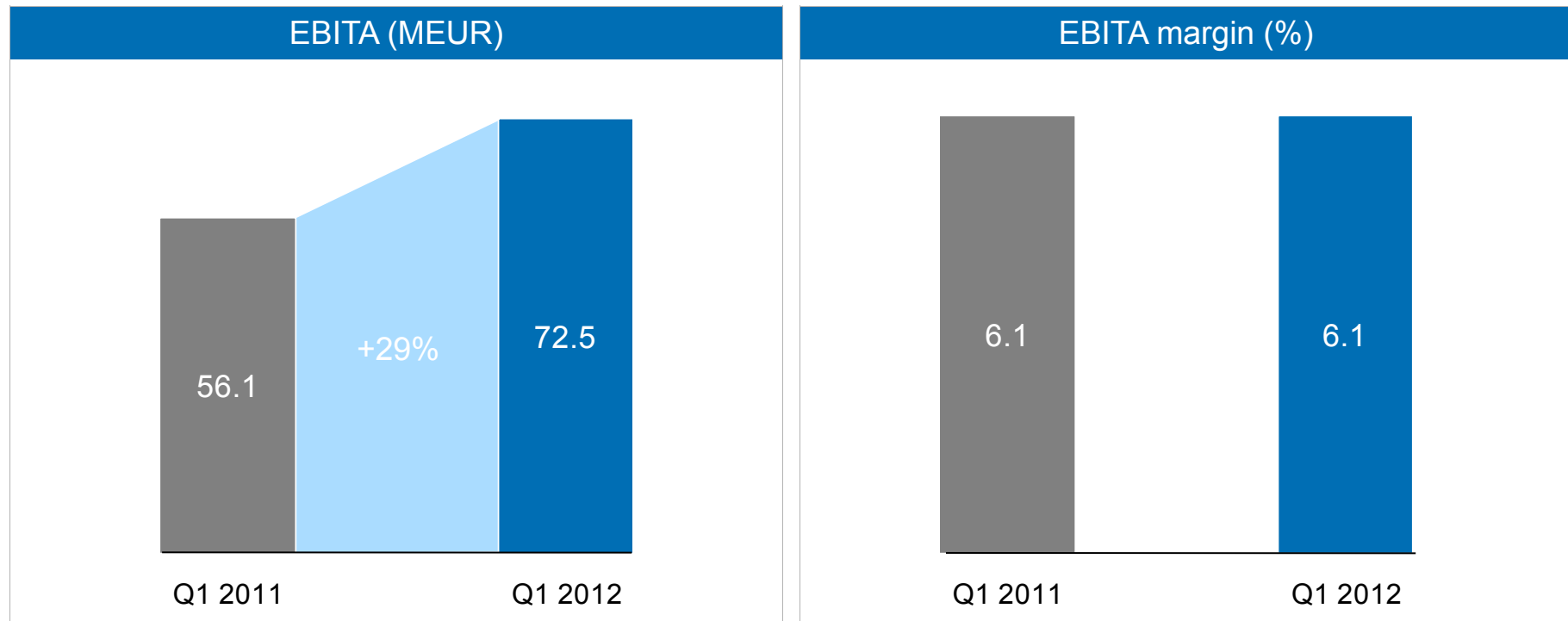
# Order backlog: Strong increase, mainly driven by PULP & PAPER and HYDRO



# Earnings

## EBITA up in line with sales; margin unchanged

- EBITA, at 73 MEUR, 29% higher than in Q1 2011, thus increasing in line with sales
- EBITA margin, at 6.1%, unchanged compared to Q1 2011 (6.1%)



## Key figures Q1 2012 at a glance

	Unit	Q1 2012	Q1 2011	+/-	2011
Order intake	MEUR	1,316.2	1,666.0	-18.3%	5,706.9
Order backlog (as of end of period)	MEUR	7,034.7	6,388.0	+10.1%	6,683.1
Sales	MEUR	1,185.7	923.7	+28.4%	4,596.0
EBITDA	MEUR	86.5	68.7	+25.9%	386.2
EBITA	MEUR	72.5	56.1	+29.2%	331.5
EBIT	MEUR	66.7	52.0	+28.3%	312.7
EBT	MEUR	70.1	55.0	+27.5%	321.7
Financial result	MEUR	3.4	3.0	+13.3%	9.0
Net income (including non-controlling interests)	MEUR	50.4	38.8	+29.9%	231.5
Cash flow from operating activities	MEUR	31.2	151.1	-79.4%	433.8
Capital expenditure	MEUR	19.5	10.3	+89.3%	77.0
EBITDA margin	%	7.3	7.4	-	8.4
EBITA margin	%	6.1	6.1	-	7.2
EBIT margin	%	5.6	5.6	-	6.8
Employees (as of end of period)	-	17,063	15,856	+7.6%	16,750

→ Decline mainly due to project-related change in payments received for projects



# HYDRO

## Continued good business development

- Continuing favorable market conditions:
  - Unchanged good investment activity for modernization/rehabilitation of existing hydropower plants and for pumped storage power stations in Europe and North America
  - Solid project activity for new hydropower plants in the emerging markets
  - Satisfactory investment activity for small-scale hydropower plants
- Order intake slightly above the high level of Q1 2011
- Significant increase of sales and earnings; profitability at favorable level of Q1 2011

	<i>Unit</i>	Q1 2012	Q1 2011	+/-	2011
Order intake	<i>MEUR</i>	597.5	583.9	+2.3%	2,096.2
Order backlog (as of end of period)	<i>MEUR</i>	3,907.6	3,633.4	+7.5%	3,671.4
Sales	<i>MEUR</i>	403.4	364.5	+10.7%	1,772.9
EBITDA	<i>MEUR</i>	37.2	32.7	+13.8%	174.3
EBITDA margin	%	9.2	9.0	-	9.8
EBITA	<i>MEUR</i>	30.2	27.1	+11.4%	147.7
EBITA margin	%	7.5	7.4	-	8.3
Employees (as of end of period)	-	7,379	7,266	+1.6%	7,285

# PULP & PAPER

## Satisfactory business development

- Good market conditions remained:
  - Solid project activity for modernization projects, capacity increases, and greenfield pulp mills
  - Good market development for biomass/recovery boilers
- Solid order intake compared to the very high reference figure in Q1 2011 which included a large greenfield order
- Sales and earnings sharply up; profitability unchanged compared to Q1 2011 due to order mix

	<i>Unit</i>	Q1 2012	Q1 2011*	+/-	2011*
Order intake	<i>MEUR</i>	529.4	817.5	-35.2%	2,694.1
Order backlog (as of end of period)	<i>MEUR</i>	2,290.4	1,870.3	+22.5%	2,230.0
Sales	<i>MEUR</i>	563.5	373.3	+51.0%	1,884.9
EBITDA	<i>MEUR</i>	35.3	24.7	+42.9%	138.1
EBITDA margin	%	6.3	6.6	-	7.3
EBITA	<i>MEUR</i>	30.4	20.2	+50.5%	120.4
EBITA margin	%	5.4	5.4	-	6.4
Employees (as of end of period)	-	6,381	5,553	+14.9%	6,208

\* In the first quarter of 2012, there was a minor shift of some products from the SEPARATION business area to the PULP & PAPER business area. Comparison figures for 2011 have been adjusted accordingly in both business areas.

# SEPARATION

## Satisfactory business development

- Unchanged good market conditions:
  - Solid project activity for municipal sludge treatment plants (dewatering and/or drying)
  - Increasing investment activity for industrial process applications, mainly in the chemical and food industries (with focus on Asia)
  - Satisfactory project activity for industrial drying plants
- Order intake practically unchanged compared to Q1 2011
- Favorable sales development
- Earnings increased in line with sales, thus margin practically unchanged compared to Q1 2011

	<i>Unit</i>	Q1 2012	Q1 2011*	+/-	2011*
Order intake	<i>MEUR</i>	124.1	124.5	-0.3%	438.8
Order backlog (as of end of period)	<i>MEUR</i>	291.7	277.5	+5.1%	250.8
Sales	<i>MEUR</i>	90.0	81.3	+10.7%	419.9
EBITDA	<i>MEUR</i>	6.1	6.0	+1.7%	42.7
EBITDA margin	%	6.8	7.4	-	10.2
EBITA	<i>MEUR</i>	5.0	4.5	+11.1%	36.7
EBITA margin	%	5.6	5.5	-	8.7
Employees (as of end of period)	-	1,737	1,582	+9.8%	1,752

\* In the first quarter of 2012, there was a minor shift of some products from the SEPARATION business area to the PULP & PAPER business area. Comparison figures for 2011 have been adjusted accordingly in both business areas.

# METALS

## Solid business development despite weak market conditions

- Unchanged moderate market conditions: Overall weak project activity due to remaining low capacity utilization rates of steel producers
- Order intake declined vs. good level of last year's reference period
- Sales rose significantly
- Earnings and profitability up

	<i>Unit</i>	Q1 2012	Q1 2011	+/-	2011
Order intake	<i>MEUR</i>	64.3	104.7	-38.6%	318.6
Order backlog (as of end of period)	<i>MEUR</i>	471.1	554.3	-15.0%	465.1
Sales	<i>MEUR</i>	89.4	71.1	+25.7%	372.7
EBITDA	<i>MEUR</i>	4.7	3.7	+27.0%	21.5
EBITDA margin	%	5.3	5.2	-	5.8
EBITA	<i>MEUR</i>	4.2	3.2	+31.3%	19.4
EBITA margin	%	4.7	4.5	-	5.2
Employees (as of end of period)	-	998	918	+8.7%	945

# FEED & BIOFUEL

## Solid business development

- Favorable market conditions:
  - Satisfactory project activity in the animal feed sector, mainly in Asia, South America, and Eastern Europe
  - Favorable project activity for biomass/wood pelleting equipment, mainly in North America, South America, and Asia
  
- Significant increase of order intake due to good development of both feed and biomass business
  
- Earnings and profitability rose sharply compared to low reference figures in Q1 2011

	<i>Unit</i>	Q1 2012	Q1 2011	+/-	2011
Order intake	<i>MEUR</i>	45.9	35.4	+29.7%	159.2
Order backlog (as of end of period)	<i>MEUR</i>	73.9	52.5	+40.8%	65.8
Sales	<i>MEUR</i>	39.4	33.5	+17.6%	145.6
EBITDA	<i>MEUR</i>	3.2	1.6	+100.0%	9.6
EBITDA margin	%	8.1	4.8	-	6.6
EBITA	<i>MEUR</i>	2.7	1.1	+145.5%	7.3
EBITA margin	%	6.9	3.3	-	5.0
Employees (as of end of period)	-	568	537	+5.8%	560

# Outlook

## Expectations for the business areas

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 (2012/2013)
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 with selective projects
FEED & BIOFUEL	Satisfactory market environment for feed and biomass equipment to continue

## Expectations for the Group

Based on these market expectations and the very high order backlog, ANDRITZ expects an increase in sales and net income 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.

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According to IFRS.