



Dear **business friend**

Even in 2013, ANDRITZ HYDRO remained with a top market position notwithstanding globally declining investments. This is again reflected by positive key figures.

Worldwide project activities regarding electromechanical equipment for hydro-power plants were satisfactory in 2013, however were at a comparable level with 2012 and hence consequently below the high level of the years before.

Hydropower represents a stable and reliable factor in the global energy market. The reasons for its success include competitive products as well as the application of the latest technologies. ANDRITZ HYDRO with 7,500 highly qualified and committed employees makes a significant contribution to this.

We were successful in all segments and all regions of the world. 2013 highlights were:

In Europe, a traditionally competitive market, we could win a large number of projects, e.g. San Pedro II in Spain, Upper Kaleköy in Turkey or Komani in Albania. Our mini compact hydro business, too, could further expand its market position with contracts in countries such as Turkey, Switzerland, Italy and Romania.

One of the most exciting markets with enormous future potential is Africa. New projects such as Kpong in Ghana and Djoué in the Republic of Congo, as well as several compact hydropower contracts are the impressive evidence for this. A major project milestone was the successful award for the second unit in Kindaruma, Kenya. The market in the Americas developed very positively, too, for ANDRITZ HYDRO, both as regards new construction and rehabilitation projects. Important contracts in North America are Muskrat Falls, Spray and Lower Notch in Canada. Highlights on

the South American continent are the projects Renance II in Guatemala and Barra Bonita in Brazil.

In the highly competitive Asian hydro-power market, the new contracts for the projects Peusangan in Indonesia, Nam Lik in Laos, Sharadarinskaya in Kazakhstan, Dariali in Georgia, Gongri in India and Whakamaru in New Zealand give proof of the advantage of a strong local presence.

The continuous development of our technologies, committed staff and local presence, as well as the contract-compliant handling of our projects to the utmost satisfaction of our clients are ANDRITZ HYDRO's mainstays. Owing to the trust and confidence generously placed in us, we deem ANDRITZ HYDRO ideally prepared for the years to come.

With sincere thanks

M. Komböck

H. Heber

W. Semper