Press release

**ANDRITZ GROUP: Results for the first quarter of 2016**

**Graz, May 4, 2016.** International technology Group ANDRITZ saw a solid development of profitability in the first quarter of 2016 despite slight declines in sales and order intake.

The key financial figures developed as follows:

* Sales amounted to 1,285.6 million euros (MEUR) and were thus lower than the reference figure for the previous year (-8.5% versus Q1 2015: 1,404.3 MEUR). All business areas recorded a decline in sales.
* Order intake, at 1,247.4 MEUR, reached a satisfactory level, however, it was 12.8% below the reference figure of the previous year (Q1 2015: 1,430.6 MEUR). While the PULP & PAPER business area in particular and also SEPARATION were able to increase order intake compared to Q1 2015, HYDRO and METALS saw a significant decline in order intake.
* Order backlog as of March 31, 2016 amounted to 7,147.6 MEUR, thus decreasing slightly compared to the end of last year (December 31, 2015: 7,324.2 MEUR).
* Despite the decline in sales, EBITA increased to 83.9 MEUR (Q1 2015: 73.4 MEUR). This is due to the very positive development in the PULP & PAPER and HYDRO business areas. Thus, profitability of the Group (EBITA margin) increased to 6.5% (Q1 2015: 5.2%).
* Net income without non-controlling interests increased to 52.5 MEUR (Q1 2015: 44.0 MEUR).

The situation on the markets served by ANDRITZ basically has not changed compared to 2015. While unchanged good project and investment activity prevails in the PULP & PAPER business area, several projects in HYDRO and METALS have been stopped temporarily or delayed due to uncertain demand. Based on the business results achieved in the first quarter of 2016, ANDRITZ expects Group sales for 2016 to decrease slightly compared to 2015. At the same time, however, profitability is expected to remain at a solid level.

– End –

**Press release for download**

The press release is available for download at the ANDRITZ web site: [www.andritz.com/news](http://www.andritz.com/news).

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**The ANDRITZ GROUP**  
ANDRITZ is a globally leading supplier of plants, equipment, and services for hydropower stations, the pulp and paper industry, the metalworking and steel industries, and for solid/liquid separation in the municipal and industrial sectors. The publicly listed technology Group is headquartered in Graz, Austria, and has a staff of approximately 24,200 employees. ANDRITZ operates over 250 sites worldwide.

**Annual and financial reports**

The annual reports and financial reports of the ANDRITZ GROUP are available as PDF for download at www.andritz.com. Printed copies can be requested by e-mail to investors@andritz.com.

**Disclaimer**

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.

**Key financial figures at a glance**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | *Unit* | Q1 2016 | Q1 2015 | +/- | 2015 |
| **Sales** | ***MEUR*** | **1,285.6** | **1,404.3** | **‑8.5%** | **6,377.2** |
| HYDRO | *MEUR* | 367.9 | 407.9 | ‑9.8% | 1,834.8 |
| PULP & PAPER | *MEUR* | 457.6 | 480.5 | ‑4.8% | 2,196.3 |
| METALS | *MEUR* | 333.0 | 377.1 | ‑11.7% | 1,718.1 |
| SEPARATION | *MEUR* | 127.1 | 138.8 | ‑8.4% | 628.0 |
| **Order intake** | ***MEUR*** | **1,247.4** | **1,430.6** | **‑12.8%** | **6,017.7** |
| HYDRO | *MEUR* | 252.0 | 447.0 | ‑43.6% | 1,718.7 |
| PULP & PAPER | *MEUR* | 545.6 | 462.4 | +18.0% | 2,263.9 |
| METALS | *MEUR* | 299.3 | 384.9 | ‑22.2% | 1,438.6 |
| SEPARATION | *MEUR* | 150.5 | 136.3 | +10.4% | 596.5 |
| Order backlog (as of end of period) | *MEUR* | 7,147.6 | 7,785.6 | ‑8.2% | 7,324.2 |
| EBITDA | *MEUR* | 106.7 | 96.1 | +11.0% | 534.7 |
| EBITDA margin | *%* | 8.3 | 6.8 | - | 8.4 |
| EBITA | *MEUR* | 83.9 | 73.4 | +14.3% | 429.0 |
| EBITA margin | *%* | 6.5 | 5.2 | - | 6.7 |
| Earnings Before Interest  and Taxes (EBIT) | *MEUR* | 74.2 | 61.5 | +20.7% | 369.1 |
| Financial result | *MEUR* | 0.7 | 1.1 | ‑36.4% | 7.3 |
| Earnings Before Taxes (EBT) | *MEUR* | 74.9 | 62.6 | +19.6% | 376.4 |
| Net income (without non-controlling interests) | *MEUR* | 52.5 | 44.0 | +19.3% | 267.7 |
| Cash flow from  operating activities | *MEUR* | 167.5 | 37.2 | +350.3% | 179.4 |
| Capital expenditure | *MEUR* | 16.5 | 20.8 | ‑20.7% | 101.4 |
| Employees (as of end of period; without apprentices) | *-* | 24,195 | 24,855 | ‑2.7% | 24,508 |
|  |  |  |  |  |  |

All figures according to IFRS. Due to the utilization of automatic calculation programs, differences can arise in the addition of rounded totals and percentages. MEUR = million euros. EUR = euros.