



## PRESS RELEASE

# ANDRITZ GROUP: Solid business development with record order intake

*Graz, March 6, 2019.* International technology group ANDRITZ saw solid business development overall in the 2018 business year. At over 6.6 billion euros, the order intake reached a historic high, thus creating a good order backlog for 2019. The Executive Board will propose an unchanged dividend – compared to last year – of 1.55 euros per share to the Annual General Meeting. This is equal to an attractive dividend yield of approximately 3.5% based on the current ANDRITZ share price.

The results of the business year in detail:

- Due to the Group's strong organic growth, the **order intake** of 6,646.2 MEUR reached a new record level and was thus significantly higher than the figure for the previous year's reference period (+19.1% compared to 2017: 5,579.5 MEUR). All business areas were able to increase their order intake compared to the previous year's reference period.
- The **order backlog** as of the end of 2018 was 7,084.3 MEUR, which is also significantly higher than the value for the previous year's reference period (+11.0% compared to the end of 2017: 6,383.0 MEUR).
- **Sales** amounted to 6,031.5 MEUR and were thus 2.4% higher than the level of the previous year (2017: 5,889.1 MEUR). The Group's service business saw very favorable development and accounted for 36% of total sales (2017: 34%).
- The **development of earnings and profitability** adjusted for extraordinary effects remained practically stable compared to the previous year. The EBITA, adjusted for provisions related to capacity restructuring measures in the Hydro and Metals Forming areas, amounted to 415.0 MEUR and was thus only slightly below the figure for the previous year's reference period after adjustment for a positive extraordinary effect in the amount of around 25 MEUR (2017: 420.4 MEUR); the adjusted EBITA margin was 6.9% compared to 7.1% in 2017.

Including extraordinary effects, the EBITA amounted to 394.3 MEUR (2017: 444.0 MEUR) and the EBITA margin was 6.5%, after 7.5% in 2017.

- **Net income** (without non-controlling interests) declined to 222.0 MEUR (2017: 263.0 MEUR).



Wolfgang Leitner, President & CEO of ANDRITZ AG: *“In spite of the decline in earnings, we are not dissatisfied with the past business year. The high organic growth in order intake once again confirms our technological and market leadership in the markets we serve. The companies we acquired in 2018 enable us to continue strengthening our competitive position, particularly in the service business. Also in 2019, we will continue to invest in the ANDRITZ GROUP’s long-term competitiveness.*”

For 2019, the ANDRITZ GROUP expects largely unchanged project and investment activity in its four business areas compared to 2018. Due to the high order backlog as of the end of 2018, ANDRITZ expects a substantial increase in sales for the current business year as well as an increase in profitability compared to 2018.



## KEY FINANCIAL FIGURES AT A GLANCE

	Unit	2018	2017	+/-	Q4 2018	Q4 2017	+/-
<b>Sales</b>	MEUR	<b>6,031.5</b>	<b>5,889.1</b>	<b>+2.4%</b>	<b>1,830.7</b>	<b>1,745.5</b>	<b>+4.9%</b>
Hydro	MEUR	1,517.5	1,583.1	-4.1%	431.7	511.6	-15.6%
Pulp & Paper	MEUR	2,233.2	2,059.7	+8.4%	710.0	585.4	+21.3%
Metals	MEUR	1,635.1	1,643.5	-0.5%	492.4	458.5	+7.4%
Separation	MEUR	645.7	602.8	+7.1%	196.6	190.0	+3.5%
<b>Order intake</b>	MEUR	<b>6,646.2</b>	<b>5,579.5</b>	<b>+19.1%</b>	<b>1,908.2</b>	<b>1,467.0</b>	<b>+30.1%</b>
Hydro	MEUR	1,445.8	1,317.2	+9.8%	389.6	378.2	+3.0%
Pulp & Paper	MEUR	2,571.9	2,033.4	+26.5%	845.5	481.4	+75.6%
Metals	MEUR	1,931.8	1,606.5	+20.2%	528.5	462.9	+14.2%
Separation	MEUR	696.7	622.4	+11.9%	144.6	144.5	+0.1%
Order backlog (as of end of period)	MEUR	7,084.3	6,383.0	+11.0%	7,084.3	6,383.0	+11.0%
EBITDA	MEUR	498.0	541.7	-8.1%	176.8	166.5	+6.2%
EBITDA margin	%	8.3	9.2	-	9.7	9.5	-
EBITA (adjusted for extraordinary effects)	MEUR	415.0	420.4	-1.3%	162.8	137.8	+18.1%
EBITA margin (adjusted for extraordinary effects)	%	6.9	7.1	-	8.9	7.9	-
EBITA	MEUR	394.3	444.0	-11.2%	142.1	137.8	+3.1%
EBITA margin	%	6.5	7.5	-	7.8	7.9	-
EBIT	MEUR	321.6	399.3	-19.5%	92.3	123.4	-25.2%
Financial result	MEUR	-17.4	1.3	-1,438.5%	-11.6	2.1	-652.4%
EBT	MEUR	304.2	400.6	-24.1%	80.7	125.5	-35.7%
Net income (without non-controlling interests)	MEUR	222.0	263.0	-15.6%	65.0	73.2	-11.2%
Cash flow from operating activities	MEUR	7.8	246.5	-96.8%	92.8	117.3	-20.9%
Capital expenditure	MEUR	137.0	116.8	+17.3%	67.7	35.3	+91.8%
Employees (as of end of period; without apprentices)	-	29,096	25,566	+13.8%	29,096	25,566	+13.8%

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.



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## **ANDRITZ GROUP**

ANDRITZ is an international technology group providing plants, systems, equipment, and services for various industries. The company is one of the technology and global market leaders in the hydropower business, the pulp and paper industry, the metal working and steel industries, and in solid/liquid separation in the municipal and industrial segments. Other important fields of business are animal feed and biomass pelleting, as well as automation, where ANDRITZ offers a wide range of innovative products and services in the IIoT (Industrial Internet of Things) sector under the brand name of Metris. In addition, the company is active in power generation (steam boiler plants, biomass power plants, recovery boilers, and gasification plants) and environmental technology (flue gas and exhaust gas cleaning plants) and offers equipment for the production of nonwovens, dissolving pulp, and panelboard, as well as recycling plants.

A passion for innovative technology, absolute customer focus, partnership, reliability, and integrity are core values to which ANDRITZ is committed. The listed Group is headquartered in Graz, Austria. With almost 170 years of experience, 29,000 employees, and more than 280 locations in over 40 countries worldwide, ANDRITZ is a reliable and competent partner and helps its customers to achieve their corporate and sustainability goals.

## **ANNUAL AND FINANCIAL REPORTS**

Annual and Financial reports are available for download at the ANDRITZ web site [andritz.com](https://andritz.com), and printed editions can be requested free of charge by e-mail to [investors@andritz.com](mailto:investors@andritz.com).

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