



ANDRITZ GROUP

INNOVATIVE TECHNOLOGIES FOR THE PLANET

A GLOBAL PARTNER FOR KEY INDUSTRIES THAT SHAPE THE WORLD

MARCH 2019

ANDRITZ

ENGINEERED SUCCESS

THE ANDRITZ GROUP



ANDRITZ is a globally leading supplier of plants, equipment, systems and services for hydropower stations, the pulp and paper industry, the metalworking and steel industries, and solid/liquid separation in the municipal and industrial sectors as well as for animal feed and biomass pelleting.

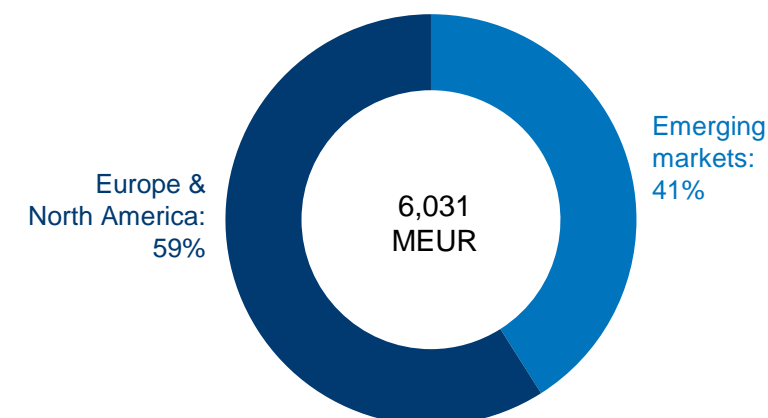
Global presence

Headquarters in Graz, Austria; over 280 production sites and service/sales companies worldwide

KEY FINANCIAL FIGURES:

| | UNIT | 2018 | 2017 |
|--|------|---------|---------|
| Order intake | MEUR | 6,646.2 | 5,579.5 |
| Order backlog (as of end of period) | MEUR | 7,084.3 | 6,383.0 |
| Sales | MEUR | 6,031.5 | 5,889.1 |
| Net income (including non-controlling interests) | MEUR | 219.7 | 265.6 |
| Employees (as of end of period; without apprentices) | - | 29,096 | 25,566 |

SALES BY REGION 2018 (%)



A WORLD MARKET LEADER WITH FOUR BUSINESS AREAS



ANDRITZ

HYDRO



22

% order intake*

PRODUCT OFFERINGS

Electromechanical equipment for hydropower plants (turbines, generators); pumps; turbo generators.

PULP & PAPER



39

% order intake*

PRODUCT OFFERINGS

Equipment for production of all types of pulp, paper, tissue, and board; energy boilers.

METALS



29

% order intake*

PRODUCT OFFERINGS

Presses/press lines for metal forming (Schuler); systems for production of stainless steel, carbon steel, and non-ferrous metal strip; industrial furnace plants.

SEPARATION



10

% order intake*

PRODUCT OFFERINGS

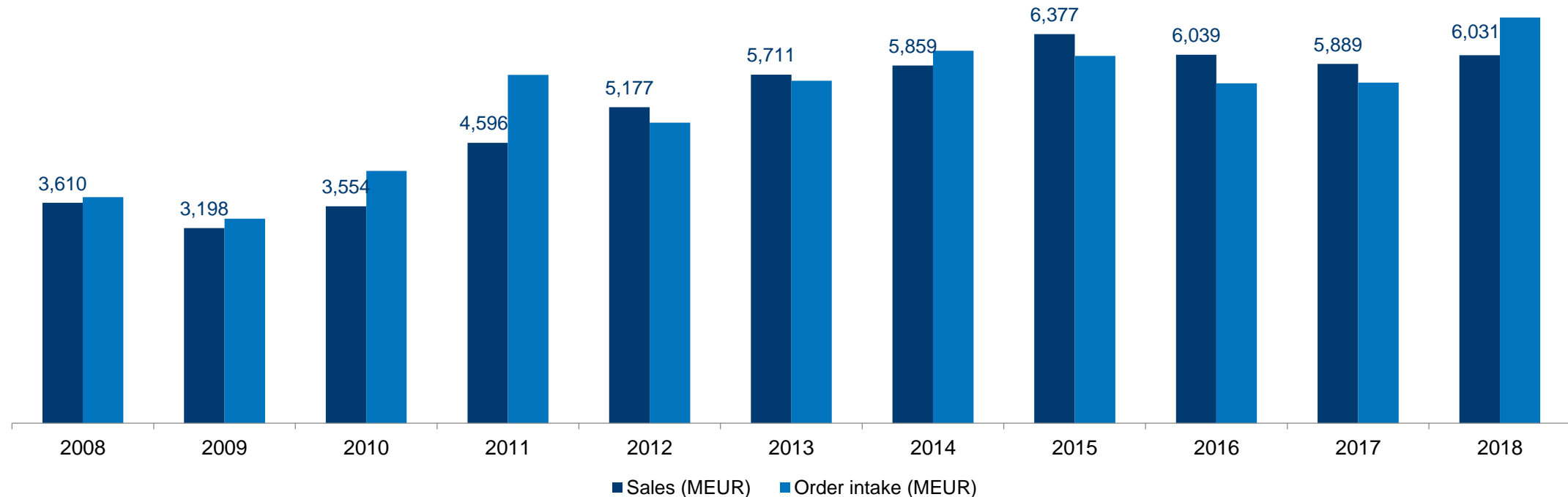
Equipment for solid/liquid separation for municipalities and various industries; equipment for production of animal feed and biomass pellets.

* Share of total Group order intake 2018

LONG-TERM GROWTH BASED ON ACQUISITIONS AND ORGANIC EXPANSION



Compound Annual Growth Rate (CAGR) of Group sales 2008-2018:
+5% p.a. (thereof approximately half from organic growth)



STRENGTHENING OF MARKET POSITION BY ACQUISITIONS



Acquisitions by business area since 2000

| HYDRO | | PULP & PAPER | | METALS | | SEPARATION | | | |
|-------|--------------------|--------------|--------------------------|--------|--------------------------|------------|------------------------|------|--------------------------|
| 2006 | VA TECH HYDRO | 2000 | Ahlstrom Machinery | 2010 | Rieter Perfojet | 2000 | Kohler | 2000 | UMT |
| 2007 | Tigép | 2000 | Lamb Baling Line | 2010 | DMT/Biax | 2002 | SELAS SAS Furnace Div. | 2002 | 3SYS |
| 2008 | GE Hydro business | 2000 | Voith Andritz Tissue | 2011 | AE&E Austria | 2004 | Kaiser | 2004 | Bird Machine |
| 2010 | GEHI (JV) | 2002 | ABB Drying | 2011 | Iggesund Tools | 2005 | Lynson | 2004 | NETZSCH Filtration |
| 2010 | Precision Machine | 2003 | IDEAS Simulation | 2011 | Tristar Industries | 2008 | Maerz | 2004 | Fluid Bed Systems |
| 2010 | Hammerfest Strøm | 2003 | Acutest Oy | 2011 | Asselin-Thibeau | 2012 | Bricmont | 2005 | Lenser Filtration |
| 2010 | Ritz | 2003 | Fiedler | 2012 | AES | 2012 | Soutec | 2006 | CONTEC Decanter |
| 2011 | Hemicycle Controls | 2004 | EMS (JV) | 2013 | MeWa | 2013 | Schuler (> 95%) | 2009 | Delkor Capital Equipment |
| 2018 | HMI | 2005 | Cybermetrics | 2015 | Euroslot | 2013 | FBB Engineering | 2009 | Frautech |
| | | 2005 | Universal Dynamics Group | 2016 | SHW Casting Technologies | 2014 | Herr-Voss Stamco | 2010 | KMPT |
| | | 2006 | Küstern | 2017 | Paperchine | 2016 | Yadon (52.9%) | 2012 | Gouda |
| | | 2006 | Carbona | 2018 | Novimpianti | 2016 | AWEBA | 2013 | Shende Machinery |
| | | 2006 | Pilão | 2018 | Diatec (70%) | 2017 | Powerlase (80%) | 2016 | ANBO |
| | | 2007 | Bachofen + Meier | 2018 | Xerium | 2018 | Farina Presse | | |
| | | 2007 | Sindus | | | 2018 | ASKO | | |
| | | 2008 | Kufferath | | | | | | |
| | | 2009 | Rollteck | | | | | | |

GROUP STRATEGY AND LONG-TERM GOALS



LONG-TERM PROFITABLE GROWTH

- Focus on markets with high growth rates
- Expansion of product portfolio through organic growth (R&D) and acquisitions
- Achieve annual sales growth averaging 5-8% depending on market growth and acquisitions

EXTEND MARKET POSITIONS

- Serving markets with long-term and sustained growth potential
- Extending existing position in Europe and North America
- Making use of the growth and sales opportunities in the emerging markets of South America and Asia

**GOAL:
GLOBAL
MARKET
LEADER**

TECHNOLOGICAL AND COST LEADERSHIP

- Become preferred supplier by virtue of technology, quality and references
- Development of innovative and sustainable technologies through intensive R&D
- Focus on digitalization to support customers in reaching their goals with regard to productivity, operating costs, energy efficiency and environmental protection
- Offer best ROI for customers

GLOBAL AND LOCAL PRESENCE

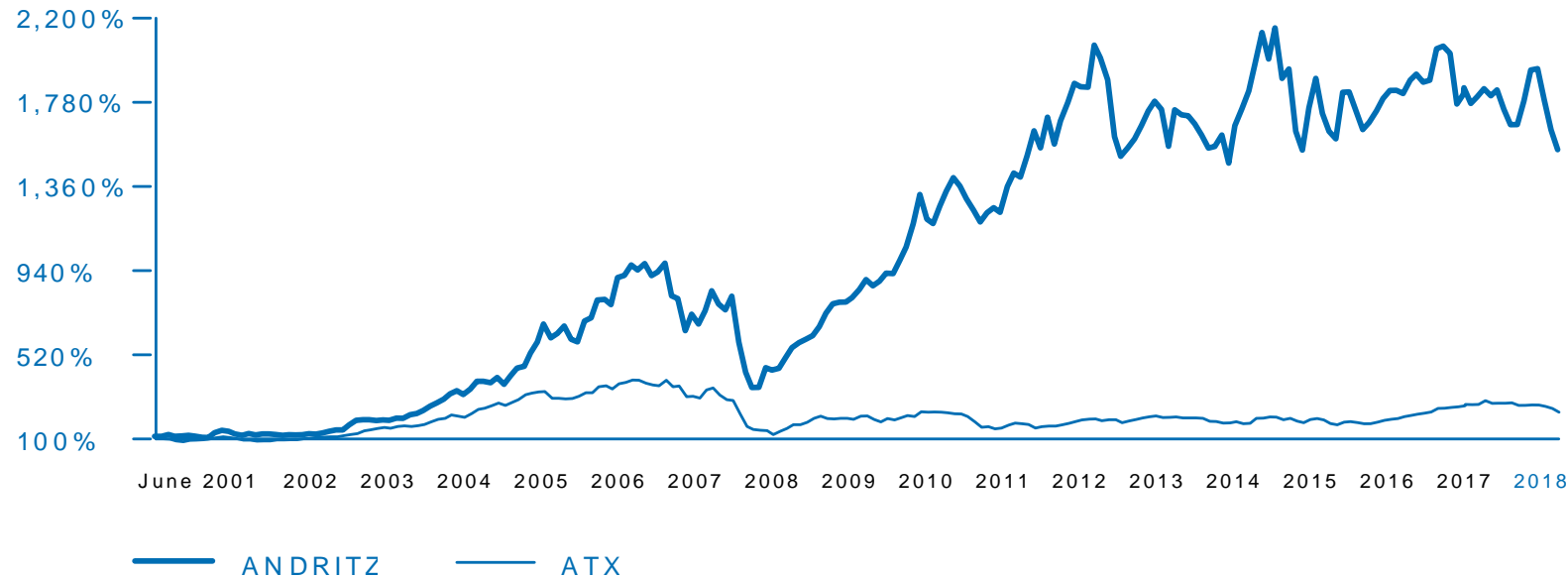
- Continue expanding worldwide presence
- Offer best possible service close to the customer
- Further relocate manufacturing capacities to emerging markets



ANDRITZ SHARE PERFORMANCE 2018: -14.8%

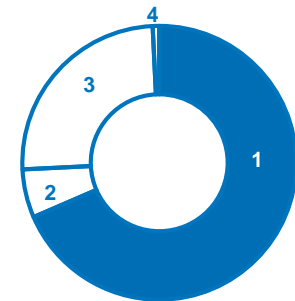
Performance since IPO (June 2001): +1,425% (ATX: +122%)

Market capitalization (as of December 31, 2018): 4.2 billion EUR



SHAREHOLDER STRUCTURE AS OF DECEMBER 31, 2018

1. Free float ~68.5%
 2. Certus 5.72%
 3. Custos 25% + 1 share
 4. Cerberus 0.77%
- } CEO Wolfgang Leitner



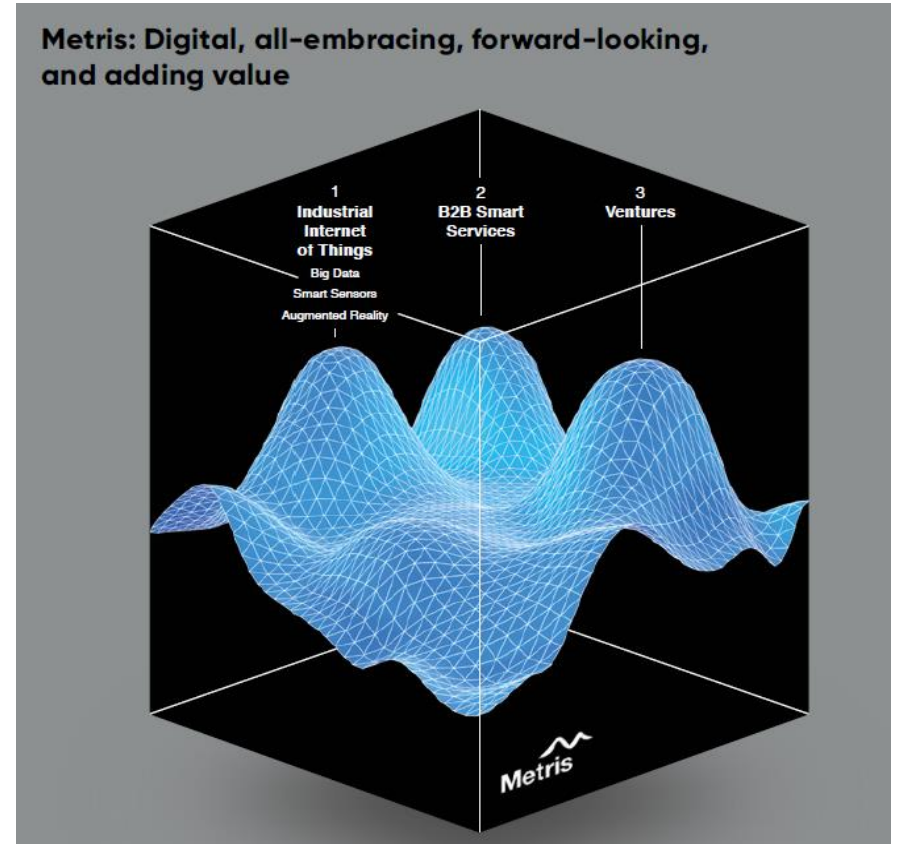
BROAD PRODUCT OFFERINGS IN DIGITALIZATION



- With the **technology brand Metris**, ANDRITZ offers a broad portfolio of intelligent, digital solutions and products.
- Metris technologies are **fully tailored** to individual customer needs and optimize industrial procedures and processes.

The results for the customers:

- **Enhancing plant efficiency and profitability**
- **Optimizing the use of resources**
- **Constant and highest product quality**
- **Avoiding production downtime**
- **Maximum user-friendliness, e.g. easy control via smartphone/tablet PC/smartglasses**

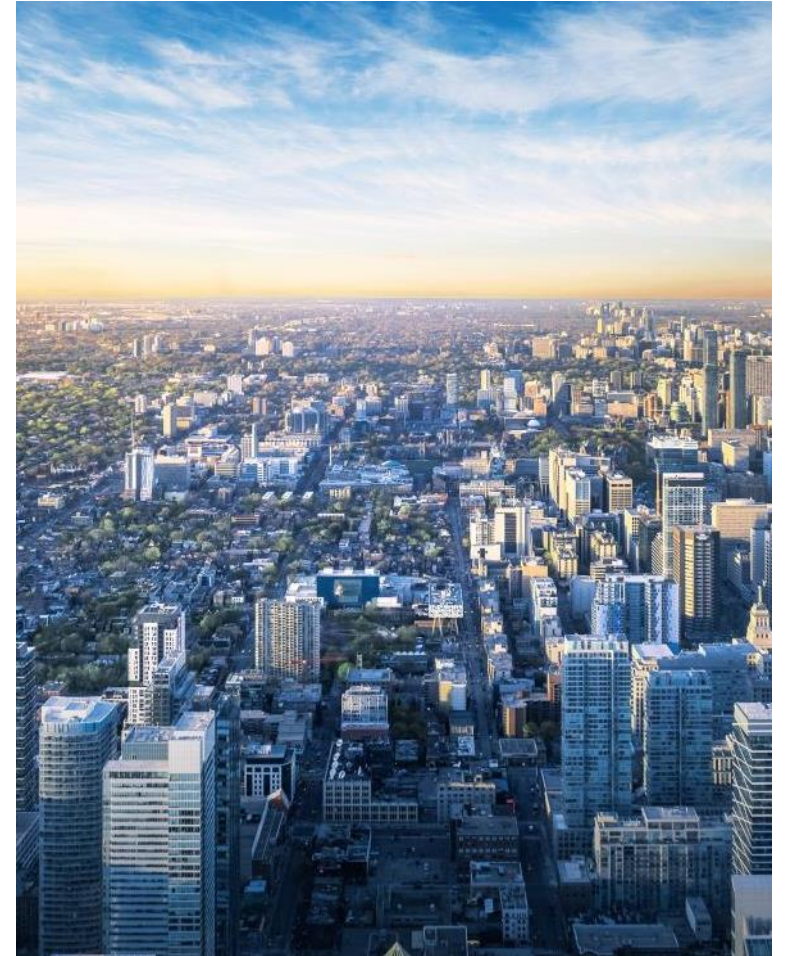


VISION OF THE ANDRITZ GROUP



In our chosen markets, we are global leaders with a passion for innovative engineering solutions.

As technology and quality leader, we create sustainable value for our customers and shareholders, thus ensuring the continuation of our long-term profitable growth.



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