CHAPTER OVERVIEW

01 ANDRITZ GROUP OVERVIEW

02 RESULTS Q3/Q1-Q3 2019

03 UPDATE OF BUSINESS AREAS

04 OUTLOOK
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:

<table>
<thead>
<tr>
<th></th>
<th>UNIT</th>
<th>Q1-Q3 2019</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>MEUR</td>
<td>5,799.1</td>
<td>6,646.2</td>
</tr>
<tr>
<td>Order backlog (as of end of period)</td>
<td>MEUR</td>
<td>8,120.7</td>
<td>7,084.3</td>
</tr>
<tr>
<td>Sales</td>
<td>MEUR</td>
<td>4,752.6</td>
<td>6,031.5</td>
</tr>
<tr>
<td>Net income (including non-controlling interests)</td>
<td>MEUR</td>
<td>40.7</td>
<td>219.7</td>
</tr>
<tr>
<td>Employees (as of end of period; without apprentices)</td>
<td>-</td>
<td>29,690</td>
<td>29,096</td>
</tr>
</tbody>
</table>
A WORLD MARKET LEADER WITH FOUR BUSINESS AREAS

PULP & PAPER

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

% order intake* 39

METALS

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

% order intake* 29

HYDRO

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

% order intake* 22

SEPARATION

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

% order intake* 10

* Share of total Group order intake 2018
Compound Annual Growth Rate (CAGR) of Group sales 2009-2018: +7% p.a. (thereof approximately half from organic growth)
# Strengthening of Market Position by Acquisitions

Acquisitions by business area since 2000

<table>
<thead>
<tr>
<th>HYDRO</th>
<th>PULP &amp; PAPER</th>
<th>METALS</th>
<th>SEPARATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>Ritz</td>
<td>2003 Fiedler</td>
<td>2012 AES</td>
</tr>
<tr>
<td>2011</td>
<td>Hemicycle Controls</td>
<td>2004 EMS (JV)</td>
<td>2013 MeWa</td>
</tr>
<tr>
<td>2006</td>
<td>Küsters</td>
<td>2017 Paperchine</td>
<td>2016 Yadon (52.9%)</td>
</tr>
<tr>
<td>2006</td>
<td>Carbona</td>
<td>2018 Novimpianti</td>
<td>2016 AWEBA</td>
</tr>
<tr>
<td>2006</td>
<td>Pilão</td>
<td>2018 Diatec (70%)</td>
<td>2017 Powerlase (80%)</td>
</tr>
<tr>
<td>2007</td>
<td>Bachofen + Meier</td>
<td>2018 Xerium</td>
<td>2018 Farina Presse</td>
</tr>
<tr>
<td>2007</td>
<td>Sindus</td>
<td>2019 Kempulp</td>
<td>2018 ASKO</td>
</tr>
<tr>
<td>2008</td>
<td>Kufferath</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>Rolteck</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
LONG-TERM EBITA MARGIN GOALS BY BUSINESS AREA

HYDRO

Long-term goal:
8.5-9.0%
NEW
7.0-8.5%

PULP & PAPER

Long-term goal:
7.0-8.0%
NEW
9.0-10.0%

METALS

Long-term goal:
6.0-7.0%
CONFIRMED

SEPARATION

Long-term goal:
8.0-9.0%
NEW
7.0-8.0%
SIGNIFICANT INCREASE OF ORDER INTAKE IN Q3 2019

Pulp & Paper strongly up due to large pulp mill order

ORDER INTAKE Q3 2019 (IN MEUR)

- Q3 2018: 1,469
- Q3 2019: 2,094

+43% organic

ORDER INTAKE BY BUSINESS AREA (IN MEUR)

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pulp &amp; Paper</td>
<td>1,163</td>
<td>546</td>
<td>+113%</td>
</tr>
<tr>
<td>Metals</td>
<td>429</td>
<td>457</td>
<td>-6%</td>
</tr>
<tr>
<td>Hydro</td>
<td>343</td>
<td>303</td>
<td>+13%</td>
</tr>
<tr>
<td>Separation</td>
<td>159</td>
<td>164</td>
<td>-3%</td>
</tr>
</tbody>
</table>

ORDER INTAKE Q1-Q3 2019 (IN MEUR)

- Q1-Q3 2018: 4,738
- Q1-Q3 2019: 5,799

+22% organic

Newly acquired companies: ~139 MEUR, thereof ~111 MEUR Xerium

Newly acquired companies: ~460 MEUR, thereof ~347 MEUR Xerium
Aggregated order intake of the last four quarters amounts to ~7.7 bn. EUR

- Major orders received in Q3 2019:
  - **Pulp & Paper:** greenfield order award from a renowned pulp and paper producer of ~500 MEUR
  - **Hydro:** pumped storage power order from Dubai of ~125 MEUR
GROUP SALES DRIVEN BY PULP & PAPER

SALES Q3 2019 (IN MEUR)

- Newly acquired companies: ~142 MEUR, thereof ~111 MEUR Xerium

SALES BY BUSINESS AREA (IN MEUR)

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pulp &amp; Paper</td>
<td>751</td>
<td>514</td>
<td>+46%</td>
</tr>
<tr>
<td>Metals</td>
<td>423</td>
<td>400</td>
<td>+6%</td>
</tr>
<tr>
<td>Hydro</td>
<td>351</td>
<td>362</td>
<td>-3%</td>
</tr>
<tr>
<td>Separation</td>
<td>166</td>
<td>162</td>
<td>+2%</td>
</tr>
</tbody>
</table>

SALES Q1-Q3 2019 (IN MEUR)

- Newly acquired companies: ~430 MEUR, thereof ~333 MEUR Xerium

<table>
<thead>
<tr>
<th>Business Area</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pulp &amp; Paper</td>
<td>2,061</td>
<td>1,523</td>
<td>+35%</td>
</tr>
<tr>
<td>Metals</td>
<td>1,181</td>
<td>1,143</td>
<td>+3%</td>
</tr>
<tr>
<td>Hydro</td>
<td>1,027</td>
<td>1,086</td>
<td>-5%</td>
</tr>
<tr>
<td>Separation</td>
<td>484</td>
<td>449</td>
<td>+8%</td>
</tr>
</tbody>
</table>
Quarterly development of service sales (in MEUR)

Service business increased in absolute and relative terms:

- Service sales increased by 31% from Q3 2019 to Q3 2019.
- CAGR: +7% over the last 4 quarters.
- Service business contributed 31% of total sales in Q3 2019.
SERVICE BUSINESS BY BUSINESS AREA

% of total business area sales

PULP & PAPER

2014: 35  
2015: 37  
2016: 41  
2017: 42  
2018: 48  
Q1-Q3 2019: 52

HYDRO

2014: 26  
2015: 25  
2016: 26  
2017: 29  
2018: 28  
Q1-Q3 2019: 30

METALS

2014: 18  
2015: 20  
2016: 22  
2017: 24  
2018: 23  
Q1-Q3 2019: 27

SEPARATION

2014: 43  
2015: 44  
2016: 46  
2017: 47  
2018: 45  
Q1-Q3 2019: 47

ANDRITZ Fabrics and Rolls provides machine clothing and roll covers for paper, tissue, and board machines.
GROUP ORDER BACKLOG REACHED HIGHEST LEVEL IN COMPANY HISTORY

Upward trend since end of 2017

- Order backlog at the end of Q3 2019 was approx. 1.2 bn EUR higher than at the end of 2018, mainly driven by Pulp & Paper

- Hydro and Pulp & Paper account for 75% of total order backlog
EBITA margin excluding extraordinary items practically unchanged

• Practically stable profitability excluding extraordinary items

• Q3 2019: ~95 MEUR restructuring measures and capacity adjustments
  • Metals: ~-84 MEUR
  • Hydro: ~-7 MEUR
  • Pulp & Paper: ~-3 MEUR
  • Separation: ~-1 MEUR

* EBITA and EBITA margin reported
** EBITA and EBITA margin adjusted by extraordinary items
EARNINGS AND PROFITABILITY DEVELOPMENT
Q1-Q3 2019

Significant decrease as a consequence of restructuring measures

- Practically stable profitability excluding extraordinary items
- Q1-Q3 2019: ~-103 MEUR restructuring measures
  - Metals: ~-84 MEUR
  - Hydro: ~-9 MEUR
  - Pulp & Paper: ~-7 MEUR
  - Separation: ~-3 MEUR

EBITA (IN MEUR) AND EBITA MARGIN (IN %)

Q1-Q3 2018

<table>
<thead>
<tr>
<th>EBITA (IN MEUR)</th>
<th>EBITA Margin (%)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>252.2</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

Q1-Q3 2019

<table>
<thead>
<tr>
<th>EBITA (IN MEUR)</th>
<th>EBITA Margin (%)**</th>
</tr>
</thead>
<tbody>
<tr>
<td>183.9</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

286.9

+14%

-27%

* EBITA and EBITA margin reported
** EBITA and EBITA margin adjusted by extraordinary items

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EBITA margin (in %)

### PULP & PAPER
- FY 2018: 9.9%
- Q3 2018: 8.5%
- Q3 2019: 8.1%
- Q1-Q3 2018: 9.0%
- Q1-Q3 2019: 9.1%

### METALS
- FY 2018: 1.7%
- Q3 2018: 2.9%
- Q3 2019: 2.3%
- Q1-Q3 2018: 2.6%
- Q1-Q3 2019: 0.3%

### HYDRO
- FY 2018: 7.5%
- Q3 2018: 6.1%
- Q3 2019: 6.0%
- Q1-Q3 2018: 6.0%
- Q1-Q3 2019: 6.5%

### SEPARATION
- FY 2018: 4.8%
- Q3 2018: 5.2%
- Q3 2019: 6.2%
- Q1-Q3 2018: 4.6%
- Q1-Q3 2019: 5.8%

* EBITA margin reported
** EBITA margin adjusted by extraordinary items
FURTHER IMPROVEMENT OF NET WORKING CAPITAL IN Q3 2019
Mainly driven by Pulp & Paper and Hydro; increase in Metals

Reduction of trade accounts receivable and increase in contract liabilities
SIGNIFICANT INCREASE IN CASH FLOW FROM OPERATING ACTIVITIES
From -85 MEUR in Q1-Q3 2018 to +439 MEUR in Q1-Q3 2019

IN MEUR

Split of total depreciation:
• ~146 MEUR depreciation, thereof
  • ~26 MEUR from newly acquired companies and
  • ~34 MEUR from IFRS 16 Leasing
• ~81 MEUR IFRS 3 Amortization, thereof
  • ~39 MEUR from newly acquired companies, mainly Xerium
  • ~29 MEUR impairment of goodwill in Metals

• ~100 MEUR decrease in trade receivables (+)
• ~83 MEUR increase in inventories (-)
• ~82 MEUR increase in contract liabilities (+)
• ~57 MEUR decrease in contract assets (+)
• ~36 MEUR increase in advance payments made (-)
• ~33 MEUR increase in liabilities (+)

EBT  58.1  (223.5)*
Interest result  23.8  (12.0)
Depreciation, impairment...  57.6  (52.3)
Changes in provisions  5.4  (-10.9)
Other changes  381.1  (264.2)
Gross cash flow  153.7  (-265.6)
Change in NWC  14.8  (14.9)
Interest received  (-22.6)  -35.2
Interest paid  2.2  (0.6)
Dividends received  (-76.5)  -77.5
Income taxes paid  (-85.0)  439.2
CF from operating activities

* Q1-Q3 2018
EBITDA – NET INCOME BRIDGE Q1-Q3 2019

- Leasing IFRS 16 (~34 MEUR)
- Newly acquired companies (~26 MEUR)

Thereof ~39 MEUR for newly acquired companies (mainly Xerium)

Increase in interest expenses due to issuance of Schuldscheindarlehen and ECA loan as well as due to decrease in other financial result (FX valuation of cash accounts)

IN MEUR; *: % OF TOTAL SALES
## KEY FIGURES Q3 2019 / Q1-Q3 2019 AT A GLANCE

**Strong cash flow generation in Q3 2019**

<table>
<thead>
<tr>
<th></th>
<th>UNIT</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>+/-</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>MEUR</td>
<td>2,093.9</td>
<td>1,468.7</td>
<td>+42.6%</td>
<td>5,799.1</td>
<td>4,738.0</td>
<td>+22.4%</td>
<td>6,646.2</td>
</tr>
<tr>
<td>Order backlog (as of end of period)</td>
<td>MEUR</td>
<td>8,120.7</td>
<td>6,882.8</td>
<td>+18.0%</td>
<td>8,120.7</td>
<td>6,882.8</td>
<td>+18.0%</td>
<td>7,084.3</td>
</tr>
<tr>
<td>Sales</td>
<td>MEUR</td>
<td>1,690.2</td>
<td>1,437.7</td>
<td>+17.6%</td>
<td>4,752.6</td>
<td>4,200.8</td>
<td>+13.1%</td>
<td>6,031.5</td>
</tr>
<tr>
<td>EBITA</td>
<td>MEUR</td>
<td>6.4</td>
<td>85.9</td>
<td>-92.5%</td>
<td>183.9</td>
<td>252.2</td>
<td>-27.1%</td>
<td>394.3</td>
</tr>
<tr>
<td>EBITA (adj. by extraordinary items)</td>
<td>MEUR</td>
<td>101.7</td>
<td>85.9</td>
<td>+18.4%</td>
<td>286.9</td>
<td>252.2</td>
<td>+13.8%</td>
<td>394.3</td>
</tr>
<tr>
<td>Net income (including non-controlling interests)</td>
<td>MEUR</td>
<td>-35.1</td>
<td>56.3</td>
<td>-162.3%</td>
<td>40.7</td>
<td>156.2</td>
<td>-73.9%</td>
<td>219.7</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities</strong></td>
<td>MEUR</td>
<td>167.3</td>
<td>16.2</td>
<td>+932.7%</td>
<td>439.2</td>
<td>-85.0</td>
<td>+616.7%</td>
<td>7.8</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>MEUR</td>
<td>34.9</td>
<td>22.1</td>
<td>+57.9%</td>
<td>96.9</td>
<td>69.3</td>
<td>+39.8%</td>
<td>137.0</td>
</tr>
<tr>
<td>Liquid funds</td>
<td>MEUR</td>
<td>1,377.0</td>
<td>1,894.9</td>
<td>-27.3%</td>
<td>1,377.0</td>
<td>1,894.9</td>
<td>-27.3%</td>
<td>1,279.7</td>
</tr>
<tr>
<td>Net liquidity</td>
<td>MEUR</td>
<td>9.8</td>
<td>517.7</td>
<td>-98.1%</td>
<td>9.8</td>
<td>517.7</td>
<td>-98.1%</td>
<td>-99.6</td>
</tr>
<tr>
<td>Net working capital</td>
<td>MEUR</td>
<td>30.5</td>
<td>114.8</td>
<td>-73.4%</td>
<td>30.5</td>
<td>114.8</td>
<td>-73.4%</td>
<td>160.5</td>
</tr>
</tbody>
</table>

Strong increase of cash flow mainly due to change in net working capital (increase of contract and other liabilities, reduction of trade receivables).
PULP & PAPER (1): HIGH PROJECT ACTIVITY DESPITE SLOWDOWN OF PULP MARKETS

• Pulp
  **High project activity** for both modernization of existing pulp mills and greenfield pulp mills

• Paper
  **Satisfactory market development** for tissue and packaging equipment continued

• Power generating boilers
  **Very good project and investment activity** of previous quarters continued, especially in Asia (Japan)

• Competition
  **Stable competitive environment**
## Pulp & Paper (2): Strong Increase in Order Intake and Sales

Earnings and profitability at satisfactory levels

### Order Intake

Significantly up, mainly due to a large-scale greenfield pulp mill order in the mid-three-digit million euros range booked in Q3 2019.

<table>
<thead>
<tr>
<th>UNIT</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>+/-</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>MEUR</td>
<td>1,163.3</td>
<td>545.5</td>
<td>+113.3%</td>
<td>3,089.0</td>
<td>1,726.4 +78.9%</td>
<td>2,571.9</td>
</tr>
<tr>
<td>Order backlog (as of end of period)</td>
<td>MEUR</td>
<td>3,468.3</td>
<td>2,148.5</td>
<td>+61.4%</td>
<td>3,468.3</td>
<td>2,148.5 +61.4%</td>
<td>2,421.1</td>
</tr>
<tr>
<td>Sales</td>
<td>MEUR</td>
<td>750.6</td>
<td>513.7</td>
<td>+46.1%</td>
<td>2,060.9</td>
<td>1,523.2 +35.3%</td>
<td>2,233.2</td>
</tr>
</tbody>
</table>

### Earnings and Profitability

At unchanged satisfactory levels. ~3 MEUR for capacity adjustment measures booked in Q3 2019 (~7 MEUR for Q1-Q3 2019).

- EBITDA (MEUR): 60.6 43.8 +38.4% 188.0 136.7 +37.5% 222.1
- EBITDA margin (%): 10.3 9.9 11.7 10.3 11.6
- EBITA (MEUR): 57.6 43.8 +31.5% 181.2 136.7 +32.6% 222.1
- EBITA margin (%): 7.7 8.5 8.8 9.0 - 9.9

### Employees

Increase of employees vs. Q3 2018 mainly due to acquisition of Xerium.

<table>
<thead>
<tr>
<th>Employees (as of end of period; without apprentices)</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>11,925</td>
<td>8,518</td>
<td>+40.0%</td>
</tr>
</tbody>
</table>

### Sales by Region

<table>
<thead>
<tr>
<th>Sales by Region Q1-Q3 2019 vs. Q1-Q3 2018 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Emerging markets</strong>: 57% (41%)</td>
</tr>
<tr>
<td><strong>Europe/North America</strong>: 43% (59%)</td>
</tr>
</tbody>
</table>

### Order Intake by Region Q1-Q3 2019 vs. Q1-Q3 2018 (%)

<table>
<thead>
<tr>
<th>Order Intake by Region Q1-Q3 2019 vs. Q1-Q3 2018 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Emerging markets</strong>: 45% (37%)</td>
</tr>
<tr>
<td><strong>Europe/North America</strong>: 55% (63%)</td>
</tr>
</tbody>
</table>
METALS (1): UNCHANGED LOW PROJECT AND INVESTMENT ACTIVITY
Weak market conditions in both Metals Forming and Processing

• Metals Forming
  Unchanged low project and investment activity due to the continuing weak international automotive market as well as due to the economic slowdown in China. Only a few larger investments made by car manufacturers and their suppliers.

• Metals Processing
  Sharply declining demand in all core markets. Orders placed focused mainly on technologies and plants for the production of advanced high-strength steel grades as well as for the production of aluminum for the automotive industry.

• Competition
  Unchanged fierce competition
Order intake in Q3 2019 slightly down y/y: Up in Metals Forming, down in Metals Processing

Increase in sales in Q3 2019, mainly due to Metals Processing

Earnings and profitability significantly down due to restructuring measures of ~84 MEUR; EBITA and EBITA margin (excl. extraordinary effects) at unchanged low levels in Q3 2019

ORDER INTAKE BY REGION Q1-Q3 2019 VS. Q1-Q3 2018 (%)  
Emerging markets: 30% (43%)  
Europe/ North America: 70% (57%)

SALES BY REGION Q1-Q3 2019 VS. Q1-Q3 2018 (%)  
Emerging markets: 38% (33%)  
Europe/ North America: 62% (67%)

METALS (2): EARNINGS AND PROFITABILITY SIGNIFICANTLY DOWN

Restructuring measures at Schuler booked in Q3 2019

<table>
<thead>
<tr>
<th>UNIT</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>+/-</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>MEUR</td>
<td>429.0</td>
<td>456.6</td>
<td>-6.0%</td>
<td>1,238.8</td>
<td>1,403.3</td>
<td>-11.7%</td>
</tr>
<tr>
<td>Order backlog (as of end of period)</td>
<td>MEUR</td>
<td>1,655.0</td>
<td>1,556.0</td>
<td>+6.4%</td>
<td>1,655.0</td>
<td>1,556.0</td>
<td>+6.4%</td>
</tr>
<tr>
<td>Sales</td>
<td>MEUR</td>
<td>422.7</td>
<td>400.3</td>
<td>+5.6%</td>
<td>1,181.4</td>
<td>1,142.7</td>
<td>+3.4%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>MEUR</td>
<td>-51.3</td>
<td>19.1</td>
<td>-368.6%</td>
<td>-35.5</td>
<td>51.2</td>
<td>-169.3%</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>%</td>
<td>-12.1</td>
<td>4.8</td>
<td>-</td>
<td>-3.0</td>
<td>4.5</td>
<td>-</td>
</tr>
<tr>
<td>EBITA (adj. by extraordinary items)</td>
<td>MEUR</td>
<td>9.9</td>
<td>11.7</td>
<td>-15.4%</td>
<td>3.7</td>
<td>29.4</td>
<td>-87.4%</td>
</tr>
<tr>
<td>EBITA margin (adj. by extraordinary items)</td>
<td>%</td>
<td>2.3</td>
<td>2.9</td>
<td>-</td>
<td>0.3</td>
<td>2.6</td>
<td>-</td>
</tr>
<tr>
<td>EBITA</td>
<td>MEUR</td>
<td>-73.6</td>
<td>11.7</td>
<td>-729.1%</td>
<td>-80.5</td>
<td>29.4</td>
<td>-373.8%</td>
</tr>
<tr>
<td>EBITA margin</td>
<td>%</td>
<td>-17.4</td>
<td>2.9</td>
<td>-</td>
<td>-6.8</td>
<td>2.6</td>
<td>-</td>
</tr>
<tr>
<td>Employees (as of end of period; without apprentices)</td>
<td>-</td>
<td>7,562</td>
<td>7,687</td>
<td>-1.6%</td>
<td>7,562</td>
<td>7,687</td>
<td>-1.6%</td>
</tr>
</tbody>
</table>

Earnings and profitability significantly down due to restructuring measures of ~84 MEUR; EBITA and EBITA margin (excl. extraordinary effects) at unchanged low levels in Q3 2019.
Excluding acquisitions, total number of employees reduced by ~25% since acquisition in 2013

**SALES (IN MEUR)**

- 2013: 1,165
- 2018: 1,212

**EMPLOYEES BY REGION**

* *First-time consolidation of the Schuler Group as of March 2013; pro forma*  
** *Figure includes reduction of ~500 employees from restructuring program at the end of July*  

- **Germany:** 3,997
- **North America:** 355
- **South America:** 462
- **China:** 323
- **Rest of World:** 82

- **Germany:** 3,997 (excl. AWEBA): 2,585**
- **North America:** 361
- **South America:** 462
- **China:** 1,333, thereof Yadon 984
- **Rest of World:** 145

- **AWEBA:** 633

- 31.12.2013: 5,219
- 30.09.2019: 5,519**

- **Germany:** 3,997
- **AWEBA:** 633
- **Rest of World:** 145

- 2018:
- **Germany:** 2,585**
- **North America:** 361
- **South America:** 462
- **China:** 1,333, thereof Yadon 984
- **Rest of World:** 145

- **AWEBA:** 633

- 31.12.2013: 5,219
- 30.09.2019: 5,519**

- **Germany:** 3,997
- **AWEBA:** 633
- **Rest of World:** 145

**NECESSARY CAPACITY ADJUSTMENTS AT SCHULER**

- 60 MEUR total cost savings expected as from 2022 together with restructuring program of 2018
- First savings from restructuring expected by H2 2020
HYDRO (1): UNCHANGED MODERATE MARKET ENVIRONMENT

Selective award of individual projects, especially in Emerging Markets

- New hydropower plants
  
  *Some new, larger projects are currently in the planning phase,* especially in Southeast Asia and Africa; selective award of individual projects likely

- Pumps
  
  Unchanged good project activity

- Modernizations/rehabilitations
  
  *Continuing low investment activity by electric and energy utilities* with many modernization and rehabilitation projects still postponed, particularly in Europe

- Competition
  
  *Stable competition* at challenging level

ANDRITZ will supply two pump turbines for the Hatta Pumped Storage Power Plant in Dubai
HYDRO (2): ORDER INTAKE UP FROM LOW LEVEL OF LAST YEAR’S REFERENCE PERIOD

Stable earnings and profitability (excl. extraordinary effects)

<table>
<thead>
<tr>
<th></th>
<th>UNIT</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>+/-</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>MEUR</td>
<td>343.0</td>
<td>303.1</td>
<td>+13.2%</td>
<td>944.8</td>
<td>1,056.2</td>
<td>-10.5%</td>
<td>1,445.8</td>
</tr>
<tr>
<td>Order backlog (as of end of period)</td>
<td>MEUR</td>
<td>2,556.0</td>
<td>2,718.2</td>
<td>-6.0%</td>
<td>2,556.0</td>
<td>2,718.2</td>
<td>-6.0%</td>
<td>2,667.9</td>
</tr>
<tr>
<td>Sales</td>
<td>MEUR</td>
<td>351.2</td>
<td>361.5</td>
<td>-2.8%</td>
<td>1,026.8</td>
<td>1,085.8</td>
<td>-5.4%</td>
<td>1,517.5</td>
</tr>
<tr>
<td>EBITDA</td>
<td>MEUR</td>
<td>29.2</td>
<td>28.7</td>
<td>+1.7%</td>
<td>89.4</td>
<td>85.8</td>
<td>+4.2%</td>
<td>142.4</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>%</td>
<td>8.3</td>
<td>7.9</td>
<td>-</td>
<td>8.7</td>
<td>7.9</td>
<td>-</td>
<td>9.4</td>
</tr>
<tr>
<td>EBITA (adj. by extraordinary items)</td>
<td>MEUR</td>
<td>20.9</td>
<td>21.9</td>
<td>-4.6%</td>
<td>67.1</td>
<td>65.3</td>
<td>+2.8%</td>
<td>113.8</td>
</tr>
<tr>
<td>EBITA margin (adj. by extraordinary items)</td>
<td>%</td>
<td>6.0</td>
<td>6.1</td>
<td>-</td>
<td>6.5</td>
<td>6.0</td>
<td>-</td>
<td>7.5</td>
</tr>
<tr>
<td>EBITA</td>
<td>MEUR</td>
<td>13.9</td>
<td>21.9</td>
<td>-36.5%</td>
<td>58.0</td>
<td>65.3</td>
<td>-11.2%</td>
<td>113.8</td>
</tr>
<tr>
<td>EBITA margin</td>
<td>%</td>
<td>4.0</td>
<td>6.1</td>
<td>-</td>
<td>5.6</td>
<td>6.0</td>
<td>-</td>
<td>7.5</td>
</tr>
<tr>
<td>Employees (as of end of period; without apprentices)</td>
<td>-</td>
<td>7,370</td>
<td>7,343</td>
<td>+0.4%</td>
<td>7,370</td>
<td>7,343</td>
<td>+0.4%</td>
<td>7,002</td>
</tr>
</tbody>
</table>

Increase in Order intake in Q3 2019 due to booking of pumped storage power order from Dubai

Decrease in sales as a result of lower order intake in the last years

Despite a decrease in sales, earnings and margin (excl. extraordinary effects) practically unchanged q/q. Capacity adjustment measures of ~7 MEUR booked in Q3 2019

ORDER INTAKE BY REGION Q1-Q3 2019 VS. Q1-Q3 2018 (%)

Emerging markets: 53% (64%)
Europe/ North America: 47% (36%)

SALES BY REGION Q1-Q3 2019 VS. Q1-Q3 2018 (%)

Emerging markets: 44% (51%)
Europe/ North America: 56% (49%)
SEPARATION (1): SATISFACTORY PROJECT AND INVESTMENT ACTIVITY

Particularly for solid/liquid separation equipment

- **Municipal**
  Investment activity at solid levels (sewage sludge dewatering and drying)

- **Industrial**
  Solid project activity in chemicals, mining, and minerals;
  investment activity in food slightly improved from low levels

- **Feed and biomass pelleting**
  Solid project activity

- **Competition**
  Unchanged market environment with some global and many regional competitors
## SEPARATION (2): FURTHER EARNINGS IMPROVEMENT

Earnings and profitability (excl. extraordinary effects) significantly up

<table>
<thead>
<tr>
<th>UNIT</th>
<th>Q3 2019</th>
<th>Q3 2018</th>
<th>+/-</th>
<th>Q1-Q3 2019</th>
<th>Q1-Q3 2018</th>
<th>+/-</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>MEUR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>158.6</td>
<td>163.5</td>
<td>-3.0%</td>
<td>526.5</td>
<td>552.1</td>
<td>-4.6%</td>
<td>696.7</td>
</tr>
<tr>
<td>Order backlog (as of end of period)</td>
<td>MEUR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>441.4</td>
<td>460.1</td>
<td>-4.1%</td>
<td>441.4</td>
<td>460.1</td>
<td>-4.1%</td>
<td>403.7</td>
</tr>
<tr>
<td>Sales</td>
<td>MEUR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>165.7</td>
<td>162.2</td>
<td>+2.2%</td>
<td>483.5</td>
<td>449.1</td>
<td>+7.7%</td>
<td>645.7</td>
</tr>
<tr>
<td>EBITDA</td>
<td>MEUR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>11.8</td>
<td>10.8</td>
<td>+9.3%</td>
<td>35.5</td>
<td>27.2</td>
<td>+30.5%</td>
<td>39.4</td>
</tr>
<tr>
<td>EBITDA margin</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7.1</td>
<td>6.7</td>
<td>-</td>
<td>7.3</td>
<td>6.1</td>
<td>-</td>
<td>6.1</td>
</tr>
<tr>
<td>EBIT (adj. by extraordinary items)</td>
<td>MEUR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10.2</td>
<td>8.5</td>
<td>+20.0%</td>
<td>28.1</td>
<td>20.8</td>
<td>+35.1%</td>
<td>31.1</td>
</tr>
<tr>
<td>EBIT margin (adj. by extraordinary items)</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>6.2</td>
<td>5.2</td>
<td>-</td>
<td>5.8</td>
<td>4.6</td>
<td>-</td>
<td>4.8</td>
</tr>
<tr>
<td>EBITA</td>
<td>MEUR</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8.5</td>
<td>8.5</td>
<td>0.0%</td>
<td>25.2</td>
<td>20.8</td>
<td>+21.2%</td>
<td>31.1</td>
</tr>
<tr>
<td>EBITA margin</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5.1</td>
<td>5.2</td>
<td>-</td>
<td>5.2</td>
<td>4.6</td>
<td>-</td>
<td>4.8</td>
</tr>
<tr>
<td>Employees (as of end of period; without apprentices)</td>
<td>-</td>
<td>2,833</td>
<td>2,849</td>
<td>-0.6%</td>
<td>2,833</td>
<td>2,849</td>
<td>-0.6%</td>
</tr>
</tbody>
</table>

Increase in sales due to the positive development of order intake in solid/liquid separation in the past few quarters

Earnings and profitability (excl. extraordinary effects) up as a result of higher sales. Capacity adjustment measures of ~1 MEUR booked in Q3 2019

### SALES BY REGION Q1-Q3 2019 VS. Q1-Q3 2018 (%)

- **Emerging markets:** 43% (44%)
- **Europe/ North America:** 57% (56%)
- **Emerging markets:** 38% (36%)
- **Europe/ North America:** 62% (64%)
CHAPTER OVERVIEW

01 ANDRITZ GROUP OVERVIEW

02 RESULTS Q3/Q1-Q3 2019

03 UPDATE OF BUSINESS AREAS

04 OUTLOOK
Largely unchanged prospects for the remaining months

Status of general business environment:
• Slowdown of global economy
• Steel and automotive industries in strong downturn
• Nevertheless, excellent project activity in Pulp & Paper

Status on major ANDRITZ topics:
• Record order backlog of 8.1 bn. EUR provides solid sales visibility for 2020
• Good progress of Schuler restructuring, first visible effects from Q3 2020 onwards
• Continuing minor capacity adjustments in other business areas
• Good profitability in Pulp & Paper, improvement in Separation, stable in Hydro, Metals break even

Guidance for 2019 confirmed:
• For 2019, ANDRITZ continues to expect a significant increase in sales compared to 2018 due to high order backlog and sales contributions by the companies acquired in 2018
• Profitability (EBITA margin) expected to reach the level of 2018 excluding extraordinary effects (EBITA margin: 6.9%)
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