ANDRITZ GROUP

INNOVATIVE TECHNOLOGIES FOR THE PLANET

A GLOBAL PARTNER FOR KEY INDUSTRIES THAT SHAPE THE WORLD

APRIL 2020
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, pumps, 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 2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>MEUR</td>
<td>1,852.9</td>
<td>7,282.0</td>
</tr>
<tr>
<td>Order backlog (as of end of period)</td>
<td>MEUR</td>
<td>7,924.6</td>
<td>7,777.6</td>
</tr>
<tr>
<td>Sales</td>
<td>MEUR</td>
<td>1,510.2</td>
<td>6,673.9</td>
</tr>
<tr>
<td>Net income (including non-controlling interests)</td>
<td>MEUR</td>
<td>30.5</td>
<td>122.8</td>
</tr>
<tr>
<td>Employees (as of end of period; without apprentices)</td>
<td>-</td>
<td>28,411</td>
<td>29,513</td>
</tr>
</tbody>
</table>

**SALES BY REGION 2019 (%):**

- Europe & North America: 56%
- Emerging markets: 44%
- Total: 6,673.9 MEUR
A WORLD MARKET LEADER WITH FOUR BUSINESS AREAS

**PRODUCT OFFERING**

**PULP & PAPER**
- Equipment for production of all types of pulp, paper, tissue, and board; energy boilers

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

**HYDRO**
- Electromechanical equipment for hydropower plants (turbines, generators); pumps; turbo generators

**SEPARATION**
- 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 2019

50

22

18

10

% order intake*

% order intake*

% order intake*

% order intake*
LONG-TERM GROWTH BASED ON ACQUISITIONS AND ORGANIC EXPANSION

Compound Annual Growth Rate (CAGR) of Group sales 2010-2019:
+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>PULP &amp; PAPER</th>
<th>METALS</th>
<th>HYDRO</th>
<th>SEPARATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 Fiedler 2012 AES</td>
<td>2012 Soutec</td>
<td>2010 Ritz</td>
<td>2006 CONTEC Decanter</td>
</tr>
<tr>
<td>2004 EMS (JV) 2013 MeWa</td>
<td>2013 Schuler (&gt; 95%)</td>
<td>2011 Hemicycle Controls</td>
<td>2009 Delkor Capital Equipment</td>
</tr>
<tr>
<td>2006 Küsters 2017 Paperchine</td>
<td>2016 Yadon</td>
<td>2012 Gouda</td>
<td></td>
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<tr>
<td>2006 Carbona 2018 Novimpianti</td>
<td>2016 AWEB</td>
<td>2013 Shende Machinery</td>
<td></td>
</tr>
<tr>
<td>2006 Pilão 2018 Diatec (70%)</td>
<td>2018 Farina Presse</td>
<td>2016 ANBO</td>
<td></td>
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<tr>
<td>2007 Bachofen + Meier 2018 Xerium</td>
<td>2018 ASKO</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2007 Sindus 2019 Kemp pulp</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008 Kufferath</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2009 Rollteck</td>
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</table>
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

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

EXTEND MARKET POSITION
• 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

GLOBAL AND LOCAL PRESENCE
• Continue expanding worldwide presence
• Offer best possible service close to the customer
• Further relocate manufacturing capacities to emerging markets

GOAL: GLOBAL MARKET LEADER
ANDRITZ SHARE
PERFORMANCE Q1 2020: -25.6%
Performance since IPO (June 2001): +987%  (ATX: +62%)

Market capitalization (as of March 31, 2020): 3.0 billion EUR
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
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.
ENGINEERED SUCCESS FOR FLAT PRODUCT PROCESSING

APRIL 2020

ANDRITZ
ENGINEERED SUCCESS
Andritz Metals

Carbon and stainless steel, aluminum and copper

Industrial Furnace
Pickling, Acid Regeneration
Rolling
Annealing, Heat Treatment
Coating
Finishing
Laser and RW Welding
Electric and Automation
Service Solutions
Plant Revamps and Upgrades
FINDING SOLUTIONS TO ANY CHALLENGE!
A reliable partner for the production and processing of stainless steel, carbon steel and non-ferrous metals with strong focus on

- Health, Safety and Environment
- Research and development
- Project and site management
- Manufacturing and engineering
- Automation
- Life-cycle full service
All locations of ANDRITZ Metals are already part of matrix certification, for the integrated QHSE Management System acc. to ISO 9001:2015 and OHSAS 18001:2007 (ISO 45001 will be implemented within 2019).
Several locations are additional certified according to ISO 14001:2015
When it comes to workplace safety, our goal is simple – we do not want injuries or accidents at any time. Safety begins with each individual employee. We never take risks that could endanger ourselves or others during our jobs. We strive to eliminate accidents in all of our facilities by ensuring a safe and healthy work environment and by looking for ways to continuously improve. We comply with all safety laws and believe that safety comes before anything else.
ANDRITZ METALS
“SAFETY FIRST” PROGRAM

ANDRITZ "Safety First" program implemented at site:

- Strong cooperation between all contractors at site
- High management commitment
- Strict control of site works to increase installation quality, safety and health of on-site staff
- Permanent high management compliance workgroup
- Extremely good safety numbers during the projects
A PASSION FOR INNOVATION!
Focus on supporting customers to:

• Implement digital IIoT solutions, especially:
  • Optimization of Process Performance (OPP)
    based on big data
  • Digital Twins
  • Predictive models/controllers e.g.
    Advanced Furnace Model (AFC)
• Process new steel and aluminum grades for the automotive industry (e.g. 3rd gen. AHSS, TWBs, PHS)
• Achieve sustainable production and minimize the consumption of utilities
• **We operate 7 innovation centers in Europe and USA**
PROJECT MANAGEMENT

• Project set up with interdisciplinary international teams led by experienced project managers
• Coordination of design engineering and interfaces with customer and suppliers
• Effective communication with all involved parties and project stakeholders
• Professional document management
• Time scheduling and progress reporting for on-time delivery
• Efficient installation, commissioning and start-up
SITE MANAGEMENT

• Wide range of site jobs ranging from very small field service orders to large scale full installation contracts

• Most capital contracts include:
  • Only supervision service
  • Installation in customer scope

• Couple of full installation / EPC contracts

• Typical large capital project:
  • Approx. 5000 SV man-days
  • Approx. MEUR 10-20 installation costs

• 100 specialized site supervisors globally
BENEFIT FROM OUR MANUFACTURING CAPABILITIES!

- Consistent technological development
- Consistent improvement of reliability
- Quality
- Service (upgrades, rebuilds, spare & wear parts)

STRATEGY

- Production of key components
- High- and consistent quality due to ANDRITZ manufacturing standard
- Excellent in engineering, design and planning
THE RIGHT CLICK FOR YOUR PLANT!

Functional, reliable and safety Electric and Automation systems from in-house automation know-how combined with expertise in process and mechanical design.

• Complete automation solutions from one source
• State of the art and consistent
• Short start-up times
• Smooth operations of ANDRITZ plants and technologies
• Supported by simulation models, digital twins, advanced process control technologies, and special sensors.
• Comprehensive lifetime services
• Global services network
• Industry 4.0 READY
ANDRITZ METALS AUTOMATION

- Level 3 (ERP)
- Level 2 (MES/AFC)
- Level 1 (PLC/OCS)
- Level 0 (Field)

Industrial PC/Edge
Siemens
Rockwell
ABB

ANDRITZ METRIS X
ANDRITZ IIoT
Sensors
SERVICE ABILITY

- Outstanding service product portfolio - from spare parts to mill-wide maintenance outsourcing agreements
- Close cooperation with the mill’s and service center operation and maintenance personnel
- Contribute to improved reliability, availability, and production while reducing overall operating costs

Service products and solutions

- Automation & control
- Engineered wear products
- Mill improvement
- Studies & field services
- Mill maintenance
- Remote Assistance
- Spare & replacement parts
- Upgrades & modernizations
- Rebuild & Retrofits
- Tooling
2020/04/22
ANDRITZ to supply 20-high cold-rolling mill to Northern Copper Industry Co., Ltd.
International technology group ANDRITZ has received an order from Northern Copper Industry Co., Ltd., P.R. China, to deliver a 20-high cold-rolling mill in four-column design to their new production facility located in the Yuncheng...
Read more

2020/03/17
ANDRITZ Herr-Voss Stamco Inc. successfully starts up cut-to-length line supplied to Coast Aluminum, Kent, WA, USA
ANDRITZ Herr-Voss Stamco Inc., a member of international technology Group ANDRITZ, has successfully started up a new state-of-the-art cut-to-length line at Coast Aluminum, for their facility in Kent, WA. Read more

2020/02/27
ANDRITZ to supply heat treatment plant for SIJ Metal Ravne, Slovenia
International technology group ANDRITZ has received an order from SIJ Metal Ravne, Slovenia, for supply of a complete heat treatment plant, including two ANDRITZ MAERZ® double-chamber furnaces... Read more
ANDRITZ to modernize a 20-high rolling mill for First Copper Technology Co., Ltd., Taiwan
International technology group ANDRITZ has received an order to modernize a 20-high rolling mill for First Copper Technology Co., Ltd., Taiwan, at its head plant in Kaohsiung, Taiwan… Read more

ANDRITZ to supply Direct Fired Furnace equipment for HYUNDAI STEEL, Korea
International technology group ANDRITZ has received an order from HYUNDAI STEEL, Korea, to supply key process equipment for the #1 furnace in the existing continuous galvanizing line (CGL) at the Dangjin plant. Read more

ANDRITZ to supply key furnace equipment for Steel Dynamics Inc., USA
International technology group ANDRITZ has received an order from Steel Dynamics Inc. for the supply of key process equipment for the existing continuous galvanizing line (CGL) #1 furnace at the Columbus, Mississippi plant… Read more
ANDRITZ METALS – SCHULER

Entire process chain from hot rolled strip to finished parts

ANDRITZ METALS core competences
Processing lines steel and aluminum strips, industrial furnace systems, and welding systems

Schuler core competences
Press shop equipment