



PRESS RELEASE

## ANDRITZ GROUP: Results for the 2020 business year

*GRAZ, MARCH 3, 2021.* International technology group ANDRITZ saw solid business development in the 2020 business year in spite of the global economic crisis triggered by the Covid-19 pandemic. At 6.7 billion euros, revenue reached a new all-time high, while the operating result (EBITA) and net income increased significantly compared to the previous year. The Executive Board will propose a dividend of 1.00 euro per share, which is equal to a payout ratio of almost 50%.

Wolfgang Leitner, President & CEO of ANDRITZ AG, on the past business year: *“We are very satisfied with business development in 2020. Due to the enormous flexibility and huge commitment of our employees worldwide, we succeeded in managing the economic challenges of this crisis for ourselves and for our customers well. We do not expect any major change in the overall economic conditions during most of the current year, and only expect a slight recovery in the markets we serve. So, we will continue our measures to ensure our long-term competitiveness, but also at the same time focus on investments to secure organic and external growth and on innovations”.*

The results of the business year in detail:

- The **Order intake** at 6,108.0 MEUR reached a solid level, but it was below the record level achieved in the previous year (-16.1% versus 2019: 7,282.0 MEUR), which included two large-scale orders. All business areas saw a decline in order intake compared to the previous year.
- The **Order backlog** as of the end of 2020 amounted to 6,774.0 MEUR and was thus significantly lower than the value for the previous year's reference period (-12.9% compared to the end of 2019: 7,777.6 MEUR).
- **Revenue** amounted to 6,699.6 MEUR and reached a new record level, (+0.4% compared to 2019: 6,673.9 MEUR.) This is, above all, due to the processing of some large-scale orders in the Pulp & Paper business area and the resulting high revenue generation, which more than compensated for the decline in revenue in the other business areas.





- In combination with cost discipline, this favorable development in revenue led to an increase in the **Operating result (EBITA)** to 391.7 MEUR (2019: 343.2 MEUR). Profitability (EBITA margin) increased to 5.8% (2019: 5.1%). This result includes capacity adjustment measures of around 79 MEUR, particularly in the Metals Forming and Hydro business areas. Excluding these extraordinary effects, the EBITA amounted to 471.1 MEUR and was thus higher than the reference figure for the previous year excluding extraordinary effects (2019: 456.0 MEUR). At 7.0%, the EBITA margin for 2020 excluding these extraordinary effects was higher than the previous year (2019: EBITA margin excluding extraordinary effects: 6.8%).
- The **Financial result** improved significantly compared to the previous year and amounted to -34.1 MEUR (2019: -57.0 MEUR). This is largely due to the reduction in interest expenses in connection with the decrease in financial liabilities and to the improvement in the other financial result (including the foreign currency valuation of intercompany loans and bank balances in foreign currencies on the balance sheet date).
- The **Net income** (including non-controlling interests) increased significantly to 203.7 MEUR (2019: 122.8 MEUR).

From today's perspective, the ANDRITZ GROUP expects for the **full year of 2021** slightly lower revenue compared to the previous year (2020: 6,699.6 MEUR) due to the lower order intake in 2020 and an increase in the reported EBITA (2020: 391.7 MEUR). The EBITA excluding extraordinary effects should remain approximately stable compared to the previous year, depending on how revenue develops (adjusted EBITA 2020: 471.1 MEUR).

If the global economic recovery expected by market researchers for 2021 does not materialize or the pandemic intensifies again, this may result in negative effects on the processing of orders and on order intake and hence, a negative impact on ANDRITZ's financial development. This could lead to additional adjustment measures in individual business areas, which could have a negative effect on the ANDRITZ GROUP's earnings and require a revision of the guidance.



## KEY FINANCIAL FIGURES AT A GLANCE

	Unit	2020	2019	+/-	Q4 2020	Q4 2019	+/-
<b>Revenue</b>	<b>MEUR</b>	<b>6,699.6</b>	<b>6,673.9</b>	<b>+0.4%</b>	<b>1,856.9</b>	<b>1,921.3</b>	<b>-3.4%</b>
Pulp & Paper	MEUR	3,339.0	2,869.5	+16.4%	891.7	808.6	+10.3%
Metals	MEUR	1,420.5	1,636.9	-13.2%	371.5	455.5	-18.4%
Hydro	MEUR	1,296.0	1,470.7	-11.9%	403.4	443.9	-9.1%
Separation	MEUR	644.1	696.8	-7.6%	190.3	213.3	-10.8%
<b>Order intake</b>	<b>MEUR</b>	<b>6,108.0</b>	<b>7,282.0</b>	<b>-16.1%</b>	<b>1,363.3</b>	<b>1,482.9</b>	<b>-8.1%</b>
Pulp & Paper	MEUR	2,961.1	3,632.5	-18.5%	544.8	543.5	+0.2%
Metals	MEUR	1,143.6	1,582.2	-27.7%	300.9	343.4	-12.4%
Hydro	MEUR	1,335.4	1,350.2	-1.1%	374.0	405.4	-7.7%
Separation	MEUR	667.9	717.1	-6.9%	143.6	190.6	-24.7%
Order backlog (as of end of period)	MEUR	6,774.0	7,777.6	-12.9%	6,774.0	7,777.6	-12.9%
EBITDA	MEUR	571.1	537.6	+6.2%	166.3	207.7	-19.9%
EBITDA margin	%	8.5	8.1	-	9.0	10.8	-
EBITA	MEUR	391.7	343.2	+14.1%	113.2	159.3	-28.9%
EBITA margin	%	5.8	5.1	-	6.1	8.3	-
EBIT	MEUR	315.0	237.9	+32.4%	96.8	144.1	-32.8%
Financial result	MEUR	-34.1	-57.0	+40.2%	-8.1	-21.3	+62.0%
EBT	MEUR	280.9	180.9	+55.3%	88.7	122.8	-27.8%
Net income (including non- controlling interests)	MEUR	203.7	122.8	+65.9%	69.0	82.1	-16.0%
Cash flow from operating activities	MEUR	461.5	821.6	-43.8%	206.4	382.4	-46.0%
Capital expenditure	MEUR	131.8	157.1	-16.1%	44.2	60.2	-26.6%
Employees (as of end of period; without apprentices)	-	27,232	29,513	-7.7%	27,232	29,513	-7.7%

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**

International technology group ANDRITZ offers a broad portfolio of innovative plants, equipment, systems and services for the pulp and paper industry, the hydropower sector, the metals processing and forming industry, pumps, solid/liquid separation in the municipal and industrial sectors, as well as animal feed and biomass pelleting. Plants for power generation, flue gas cleaning, recycling, and the production of nonwovens and panelboard complete the global product and service offering. Innovative products and services in the industrial digitalization sector are offered under the brand name Metris and help customers to make their plants more user-friendly, efficient and profitable. The publicly listed group has around 27,200 employees and more than 280 locations in over 40 countries.

### **ANNUAL AND FINANCIAL REPORTS**

Annual and Financial reports are available for download at the ANDRITZ web site [andritz.com](https://www.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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