



COMPANY PRESENTATION

ANDRITZ GROUP

APRIL 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.

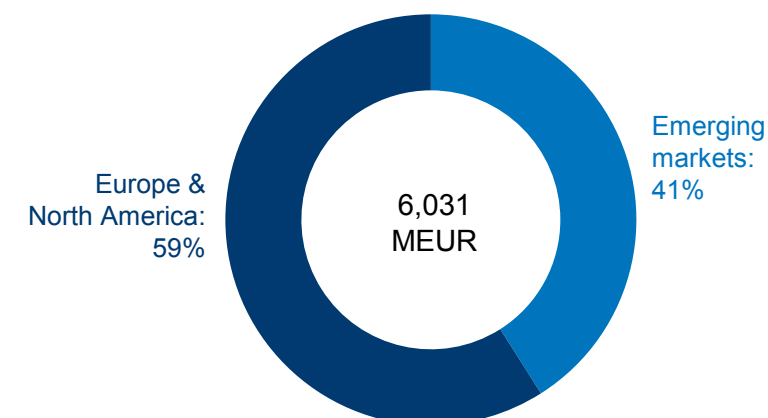
Global presence

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

AROUND 29,000 EMPLOYEES WORLDWIDE

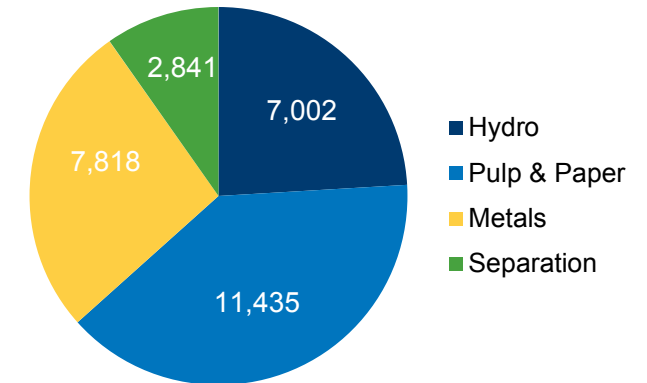


Around 3,800 employees at seven locations in Austria
(Graz, Vienna, Linz, Weiz, Raaba-Grambach, Gloggnitz, and St. Pölten)

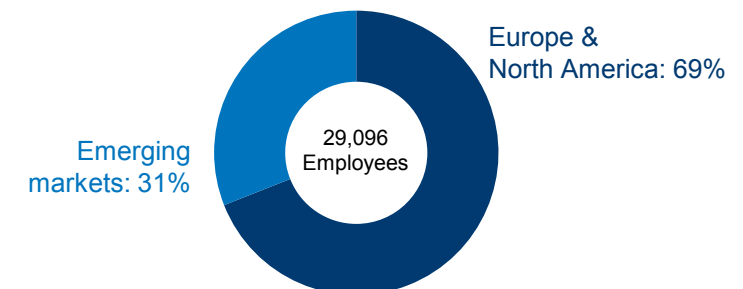
	2018	2017	+/-
Europe	15,900	14,574	+9.1%
<i>thereof Germany</i>	6,685	6,342	+5.4%
North America	4,060	3,093	+31.3%
South America	3,499	2,893	+20.9%
China	3,253	3,155	+3.1%
Asia (without China)*	2,384	1,851	+28.8%
Total	29,096	25,566	+13.8%

* incl. Africa and Australia

EMPLOYEES BY BUSINESS AREA (DECEMBER 31, 2018)



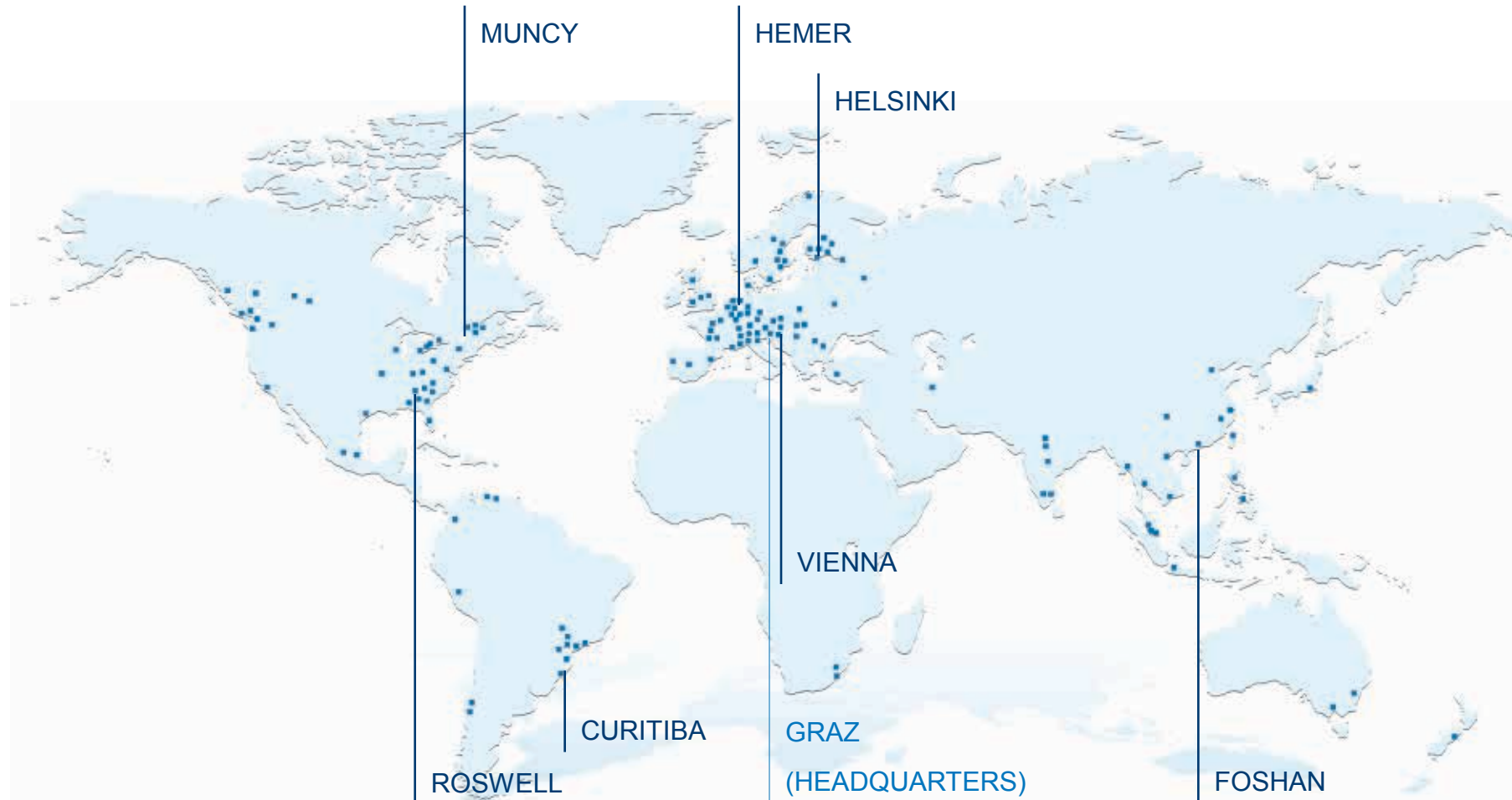
EMPLOYEES BY REGION (DECEMBER 31, 2018)



GLOBAL PRESENCE



280 production sites and service/sales companies worldwide



ANDRITZ MILESTONES



From a foundry to an international leading technology Group

1852	1987	1990-1998	1999	2000/2001	2002	2003	2004-2018
Established by Josef Körösi as a foundry and machine works	AGIV acquires majority of shares from CA-BV	Steady growth, both internal and external through acquisitions (Sprout-Bauer, Kone Wood, Jesma-Matador and Sundwig)	Custos Private Foundation through Certus GmbH and financial investors acquire ANDRITZ AG	Initial Public Offering (IPO); acquisition of Ahlstrom Machinery Group	Acquisition of ABB Fläkt Drying and SELAS SAS	Acquisition of IDEAS Simulation, Bird Machine, Fiedler; financial investors exit via Secondary Public Offering (SPO)	Acquisition of approx. 51 companies, i.a. VA TECH Hydro, General Electric Hydro, AE&E, Bricmont, Schuler, Shende, Aweba, Yadon, SHW Casting Technologies, ANBO, Paperchine, Powerlase, Novimpianti, Diatec, Xerium Technologies, ASKO



Machine works in Graz, Austria, in 1852



Maschinenfabrik ANDRITZ in 1902

2018 WAS A VERY ACTIVE YEAR WITH REGARD TO EXTERNAL GROWTH

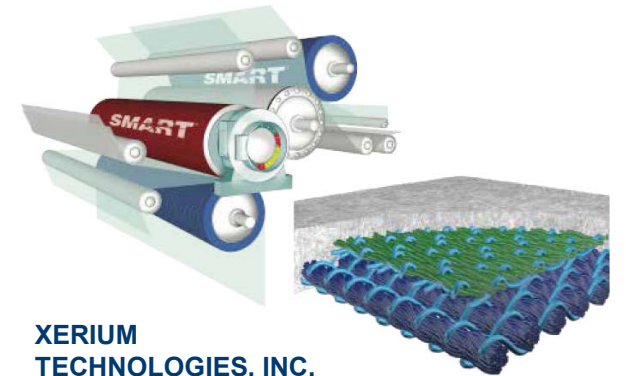


Seven acquisitions; foundation of a cybersecurity company in Israel



DIATEC S.R.L.

- About **3,100 employees**
- Annual sales of more than **500 million Euros**
- Extension of the ANDRITZ product portfolio, mainly in the **stable service business**



XERIUM TECHNOLOGIES, INC.



OTORIO LTD



ASKO, INC.



HMI CANADA INC.



FARINA PRESSE S.P.A.



PSIORI
DATA SCIENCE
PSIORI GMBH

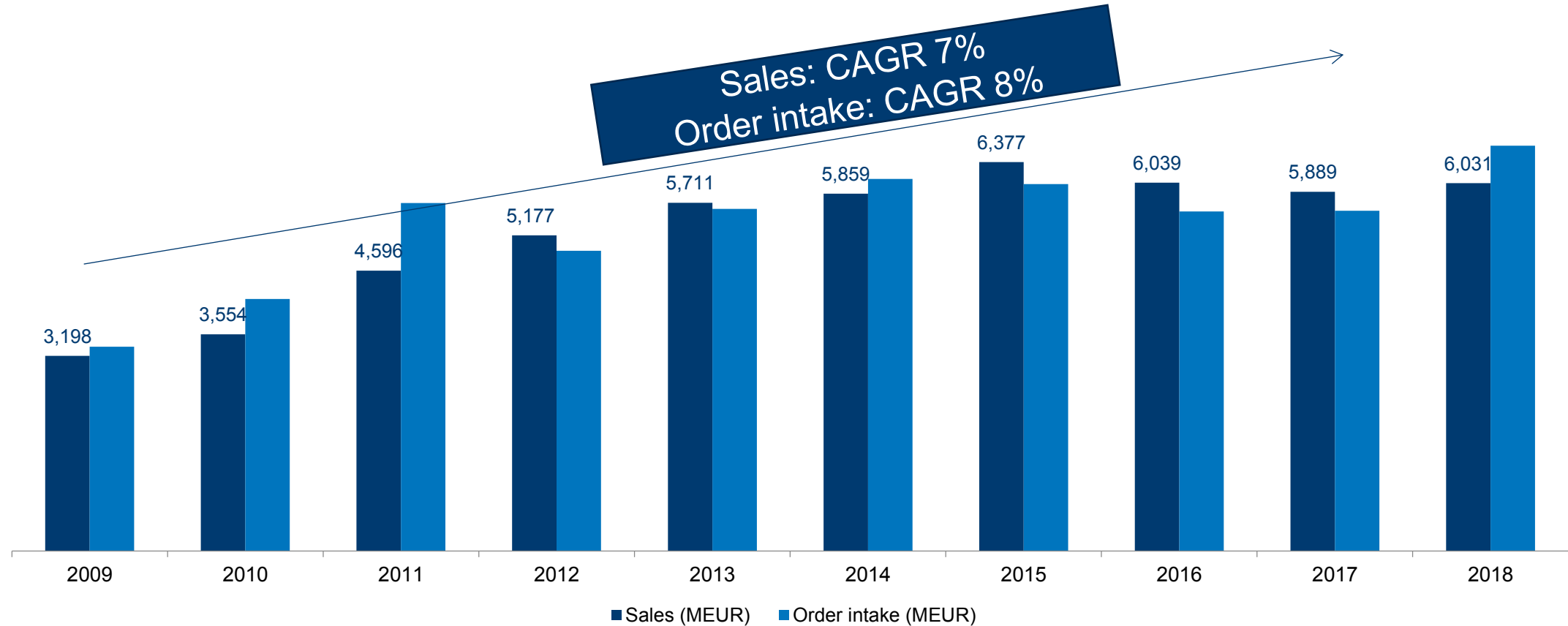


NOVIMPIANTI DRYING TECHNOLOGY S.R.L.

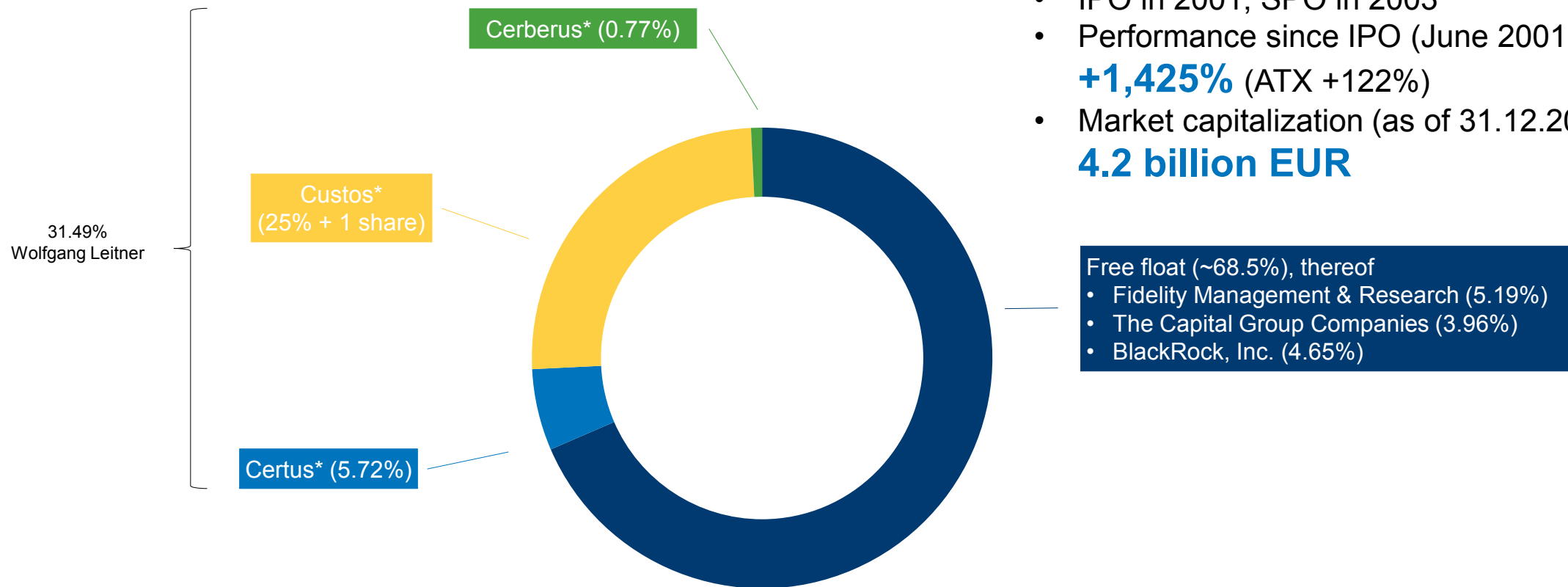
LONG-TERM GROWTH BASED ON ACQUISITIONS AND ORGANIC EXPANSION



Growth evenly split between organic expansion and acquisitions



STABLE AND WELL-BALANCED SHAREHOLDER STRUCTURE



- IPO in 2001, SPO in 2003
- Performance since IPO (June 2001): **+1,425%** (ATX +122%)
- Market capitalization (as of 31.12.2018): **4.2 billion EUR**

Free float (~68.5%), thereof

- Fidelity Management & Research (5.19%)
- The Capital Group Companies (3.96%)
- BlackRock, Inc. (4.65%)

* Shares directly and indirectly held by Wolfgang Leitner, President and CEO of ANDRITZ AG

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

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