

EANS-Adhoc: ANDRITZ: results for the first three quarters of 2009

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Graz, November 6, 2009. International technology Group ANDRITZ showed a solid business development in the first three quarters of 2009 in a continuing difficult overall economic environment. Sales amounted to 2,330.2 MEUR (-8.2% vs. Q1-Q3 2008: 2,538.9 MEUR), order intake, at 2,554.9 MEUR, achieved a good level, although it was below the over-proportionally high level of the previous year's reference period (-11.9% vs. Q1-Q3 2008: 2,900.4 MEUR). Order backlog as of September 30, 2009, at approximately 4.5 bn. Euro, increased compared to the value as of December 31, 2008. Net income excluding minority interests amounted to 59.6 MEUR in the first three quarters of 2009 (Q1-Q3 2008: 105.4 MEUR). The ANDRITZ GROUP continues to expect its sales to decline by about 15% in the full year 2009 and its net income also to decrease versus the financial year 2008.

Decline in Group sales, HYDRO business area remains strong

Sales of the ANDRITZ GROUP in the third quarter of 2009 amounted to 756.1 MEUR (-14.9 % vs. Q3 2008: 888.9 MEUR). While the HYDRO business area achieved a significant increase in sales compared to the previous year's reference value, sales in the other business areas declined - particularly in PULP & PAPER.

Group sales for the first three quarters of 2009 amounted to 2,330.2 MEUR, thus declining by 8.2% compared to the reference period of 2008 (Q1-Q3 2008: 2,538.9 MEUR).

Order intake for the third quarter of 2009 almost 10% up compared to the previous year's reference figure, solid order backlog

Despite the continuing difficult economic environment, the ANDRITZ GROUP's order intake showed a satisfactory development in the third quarter of 2009. At 842.2 MEUR, order intake increased by 9.1% compared to the third quarter of 2008 (771.7 MEUR). Particularly, the PULP & PAPER and the HYDRO business areas developed very favorably and achieved increases compared to the reference period for the previous year.

In the first three quarters of 2009, order intake of the Group amounted to 2,554.9 MEUR, thus 11.9% below the over-proportionally high level of the previous year's reference period (Q1-Q3 2008: 2,900.4 MEUR).

The order backlog as of September 30, 2009 amounted to 4,514.5 MEUR, practically unchanged compared to the high level of the previous year (September 30, 2008: 4,558.1 MEUR) and higher than the figure for December 31, 2008 (4,277.4 MEUR).

Satisfactory profitability in Q3 2009

The EBITA of the ANDRITZ GROUP was 45.5 MEUR for the third quarter of 2009, thus below the previous year's reference value (Q3 2008: 57.6 MEUR). Profitability (EBITA margin), at 6.0%, remained at a solid level despite the decline in sales (Q3 2008: 6.5%). The EBITA margin saw a particularly favorable development in the HYDRO business area, but was also above the previous year's reference value in the METALS and the ENVIRONMENT & PROCESS business areas.

The EBITA in the first three quarters of 2009 amounted to 102.0 MEUR and was thus significantly below the previous year's reference value (Q1-Q3 2008: 162.1 MEUR). This is mainly due to restructuring expenses of around 24 MEUR booked in the second quarter of 2009 and to lower sales.

The financial result for the Group in the third quarter of 2009 was mainly impacted by price gains of sold money market funds and amounted to 9.5 MEUR (Q3 2008: 1.5 MEUR).

The net income excluding minority interests amounted to 59.6 MEUR for the first three quarters of 2009 (Q1-Q3 2008: 105.4 MEUR).

Solid balance sheet structure, significant increase in liquid funds

The ANDRITZ GROUP continued to show a solid balance sheet structure as of September 30, 2009. Total assets increased to 3,216.1 MEUR (December 31, 2008: 3,086.3 MEUR), the equity ratio amounted to 18.7% (December 31, 2008: 18.7%).

Liquid funds (Cash and cash equivalents plus Marketable securities) amounted to 1,056.4 MEUR as of September 30, 2009 (December 31, 2008: 821.8 MEUR). The net liquidity (Liquid funds plus Fair value of interest rate swaps minus Financial liabilities) increased significantly, to 659.5 MEUR, thus higher than at the end of last year (December 31, 2008: 408.9 MEUR).

Outlook for 2009 confirmed

ANDRITZ confirms the sales and earnings expectations for the full year of 2009, as published in the financial report for 2008. The ANDRITZ GROUP continues to expect its sales to decline by about 15% in the full year 2009 and its net

income to decrease versus the financial year 2008. Wolfgang Leitner, President and CEO of ANDRITZ AG, comments: 'The results for the first three quarters of 2009 are in line with our expectations. In the HYDRO business area we expect the good investment activity to continue, in the other business areas we see stabilized project activity at current levels.'

Key figures of the ANDRITZ GROUP at a glance

(acc. to IFRS; in MEUR)	Q1-Q3 2009	Q1-Q3 2008*	+/-	Q3 2009	Q3 2008*	+/-
Sales	2,330.2	2,538.9	-8.2%	756.1	888.9	-14.9%
HYDRO	987.4	798.8	+23.6%	337.0	308,2	+9.3%
PULP & PAPER	671.2	981.4	-31.6%	205.4	311.3	-34.0%
METALS	351.9	412.2	-14.6%	108.3	144.2	-25.0%
ENVIRONMENT & PROCESS	227.7	239.8	-5.0%	75.9	89.3	-15.0%
FEED & BIOFUEL	92.0	106.7	-13.8%	29.5	35.7	-17.4%
Order intake	2,554.9	2,900.4	-11.9%	842.2	771.7	+9.1%
HYDRO	1,378.5	1,012.1	+36.2%	324.0	242.9	+33.4%
PULP & PAPER	604.4	955.5	-36.7%	301.6	244.0	+23.6%
METALS	261.7	534.6	-51.0%	116.4	172.0	-32.3%
ENVIRONMENT & PROCESS	231.8	274.3	-15.5%	78.8	75.4	+4.5%
FEED & BIOFUEL	78.5	123.9	-36.6%	21.4	37.4	-42.8%
Order backlog as of end of period	4,514.5	4,558.1	-1.0%	4,514.5	4,558.1	-1.0%
EBITDA	146.7	196.5	-25.3%	57.5	69.9	-17.7%
EBITDA margin	6.3%	7.7%	-	7.6%	7.9%	-
EBITA (excl. restructuring)	126.3	162.1	-22.1%	45.5	57.6	-21.0%
EBITA margin (excl. restructuring)	5.4%	6.4%	-	6.0%	6.5%	-
EBITA (incl. restructuring)	102.0	162.1	-37.1%	45.5	57.6	-21.0%
EBITA margin (incl. restructuring)	4.4%	6.4%	-	6.0%	6.5%	-
Operating result (EBIT)	87.1	155.6	-44.0%	35.1	54.2	-35.2%
Financial result	6.6	0.6	+1,000.0%	9.5	1.5	+533.3%

Earnings Before						
Taxes (EBT)	93.7	156.2	-40.0%	44.6	55.7	-19.9%
Net income (excl. minority interests)	59.6	105.4	-43.5%	27.1	35.6	-23.9%
Cash flow from operating activities	344.1	309.2	+11.3%	226.5	183.0	+23.8%
Investm. i. fixed tangible a. intangible assets	51.4	42.2	+21.8%	11.2	14.5	-22.8%
Employees as of end of period	13,176	13,225	-0.4%	13,176	13,225	-0.4%

* restated

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The interim financial report for the first three quarters of 2009 as well as the annual and financial reports of the ANDRITZ GROUP are available on the ANDRITZ website at www.andritz.com in online and pdf versions. Printed copies can be requested by telephone (+43 316 6902-2722), fax (+43 316 6902-465), or e-mail (investors@andritz.com).

The ANDRITZ GROUP

The ANDRITZ GROUP is a global market leader for customized plants, process technologies, and services for the hydropower, pulp and paper, metals, and other industries (solid/liquid separation, feed and biofuel). The Group is headquartered in Graz, Austria and has a staff of approximately 13,200 employees worldwide. ANDRITZ operates over 150 production sites, service, and sales companies all around the world.

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