



RESULTS FOR Q2 / H1 2021

ANDRITZ GROUP

JULY 30, 2021

ANDRITZ

ENGINEERED SUCCESS

CHAPTER OVERVIEW



01 CHANGES IN THE
ANDRITZ EXECUTIVE BOARD

02 Q2 2021 AT A GLANCE

03 PERFORMANCE Q2 2021

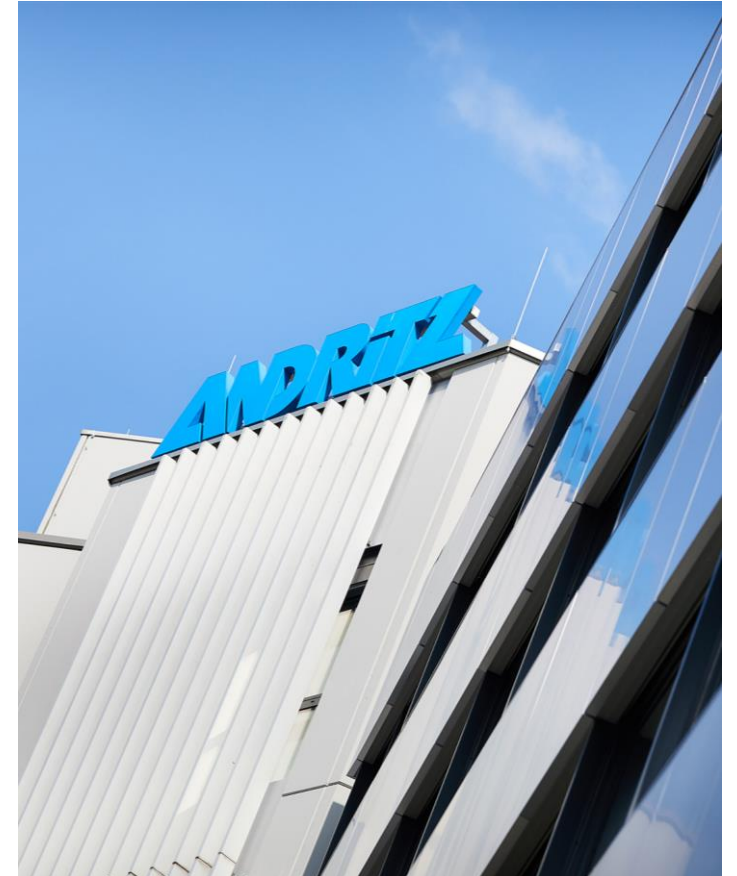
04 UPDATE OF BUSINESS AREAS

05 OUTLOOK

CHANGES IN THE ANDRITZ EXECUTIVE BOARD



- **Wolfgang Leitner** to move from the Executive Board to the Supervisory Board in April 2022 (in accordance with the AktG (Stock Corporation Act – exception „Cooling off rule“)
- **Joachim Schönbeck**, member of the Executive Board since 2014, will take over the position as President & CEO of ANDRITZ from April 2022 onwards
- **Domenico Iacovelli**, CEO of Schuler and working at ANDRITZ since 2011, will become new member of the ANDRITZ Executive Board → responsibility for the whole Metals business area (Metals Processing and Metals Forming) in April 2022
- **Remaining Executive Board** members remain unchanged



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Q2 2021 AT A GLANCE



Very favorable business development

- **Group order intake, at 1.9 billion euros**, at high level and significantly up y/y – with all business areas showing an increase
- **Revenue reached 1.5 billion euros, down y/y**
 - Lower revenue in Pulp & Paper Capital as some larger orders near completion; revenue in Metals down as a result of lower order intake last year; stable revenue development in Hydro; significant increase in Separation
- Despite decline in revenue, **EBITA at 127 MEUR and margin at 8.3%, significantly up**
 - Continued favorable development in Pulp & Paper and Separation
 - Metals continued its positive earnings development from Q1 2021, progressing on its turnaround



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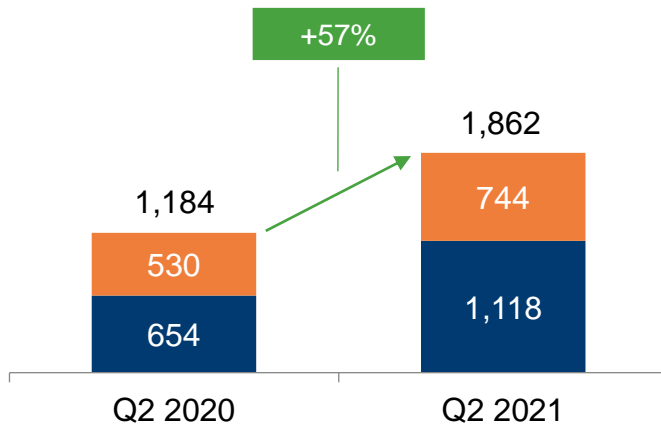
05 OUTLOOK



FAVORABLE ORDER INTAKE IN Q2 2021 WITH INCREASE IN ALL BUSINESS AREAS

Metals strongly up from very low level last year; Pulp & Paper and Hydro solid

ORDER INTAKE Q2 2021
(IN MEUR)

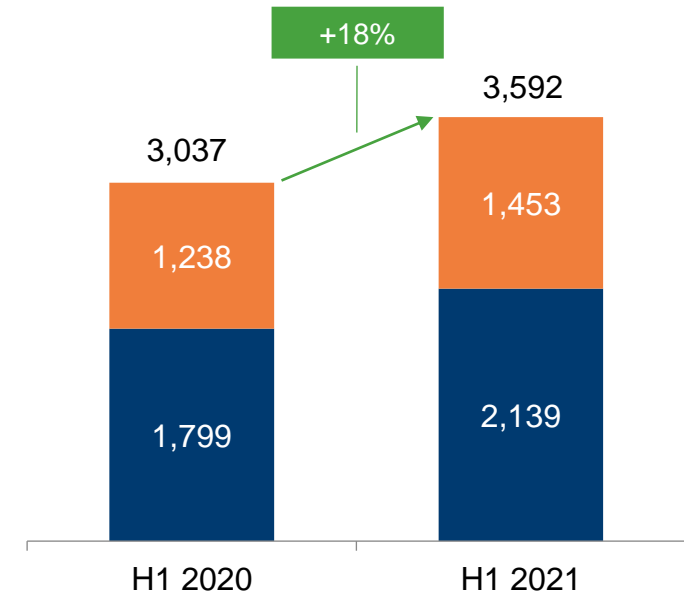


ORDER INTAKE BY BUSINESS AREA (IN MEUR)

	Q2 2021	Q2 2020	+/-
Pulp & Paper	867	622	+39%
Metals	415	127	+227%
Hydro	370	247	+50%
Separation	211	189	+12%

	H1 2021	H1 2020	+/-
Pulp & Paper	1,712	1,700	+1%
Metals	844	488	+73%
Hydro	655	492	+33%
Separation	381	356	+7%

ORDER INTAKE H1 2021
(IN MEUR)



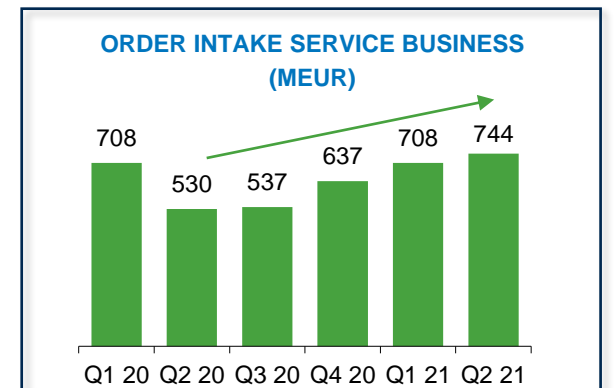
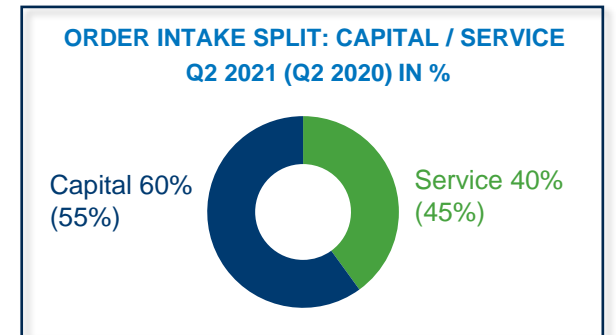
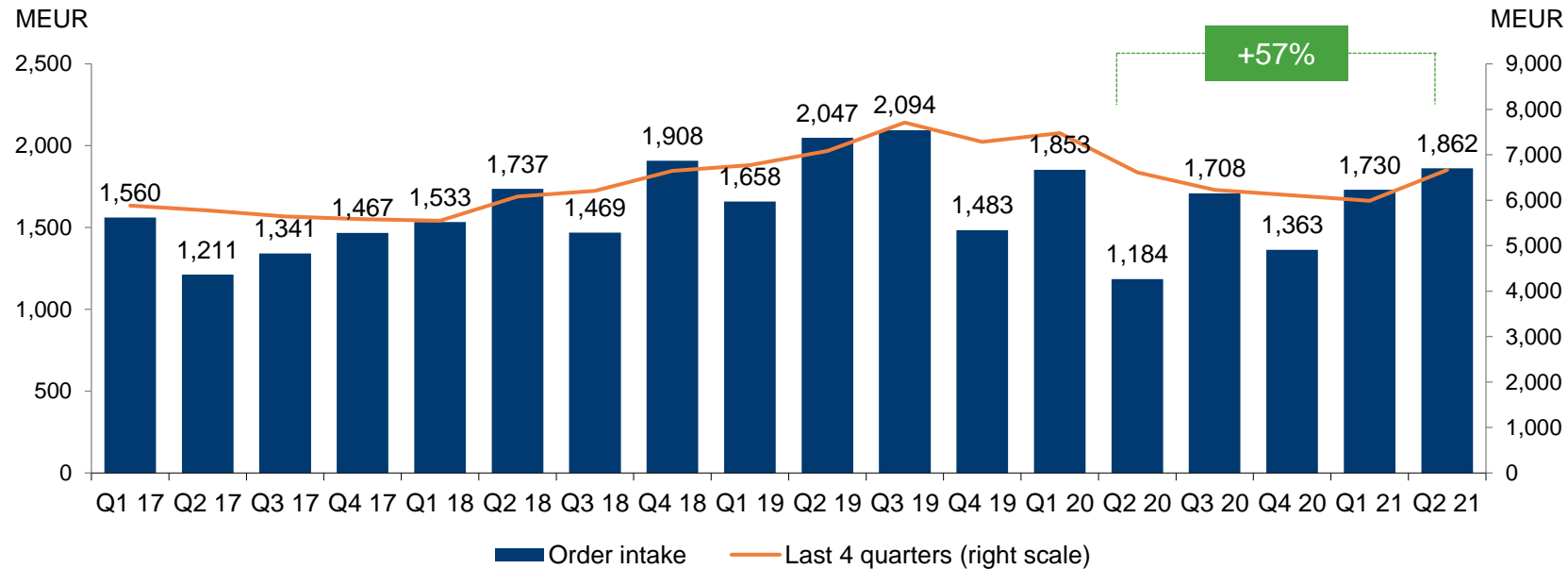
■ Capital business ■ Service business

QUARTERLY DEVELOPMENT OF ORDER INTAKE



Order intake of last 4 quarters amounted to ~6.7 billion euros

Service business has shown **strong recovery** during last quarters, with Q2 2021 order intake above pre-pandemic level

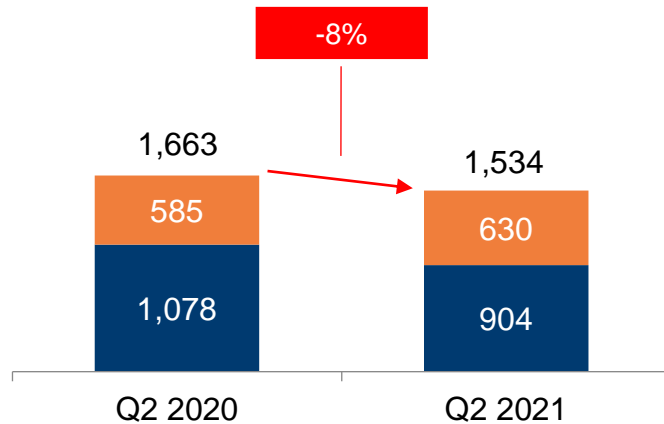




LOWER GROUP REVENUE, MAINLY DRIVEN BY PULP & PAPER CAPITAL

Metals down; Hydro flat, Separation rising

REVENUE Q2 2021
(IN MEUR)

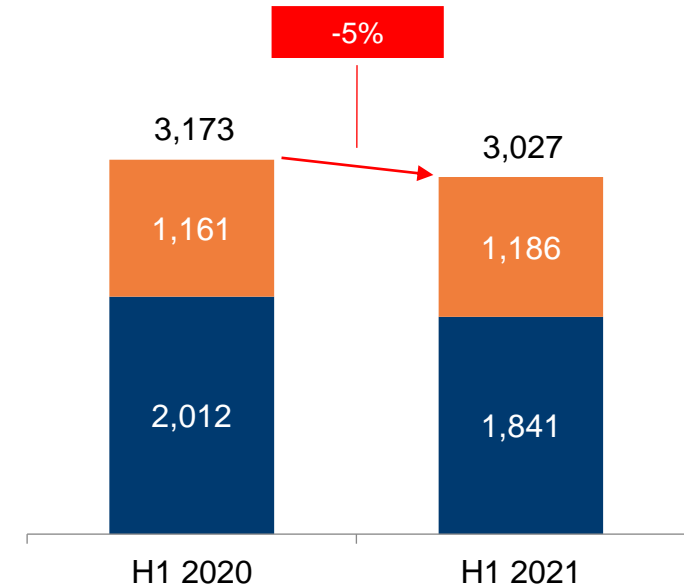


REVENUE BY BUSINESS AREA (IN MEUR)

	Q2 2021	Q2 2020	+/-
Pulp & Paper	754	882	-15%
Metals	322	343	-6%
Hydro	294	289	+2%
Separation	165	148	+11%

	H1 2021	H1 2020	+/-
Pulp & Paper	1,465	1,596	-8%
Metals	638	698	-9%
Hydro	610	588	+4%
Separation	315	292	+8%

REVENUE H1 2021
(IN MEUR)



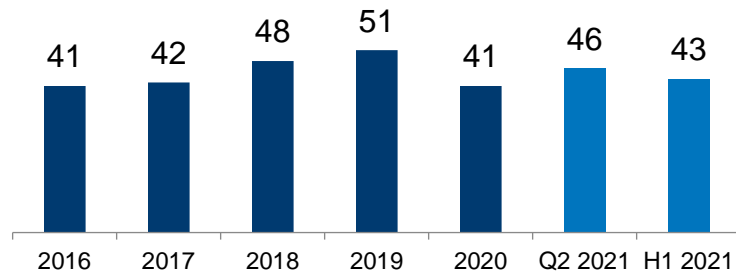
Capital business Service business

SERVICE BUSINESS BY BUSINESS AREA

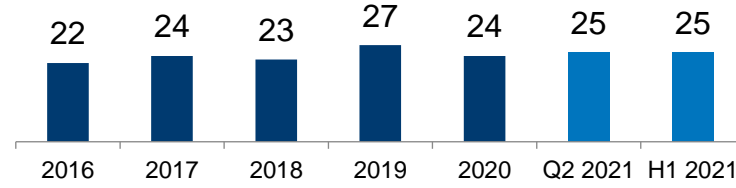


% of total business area revenue

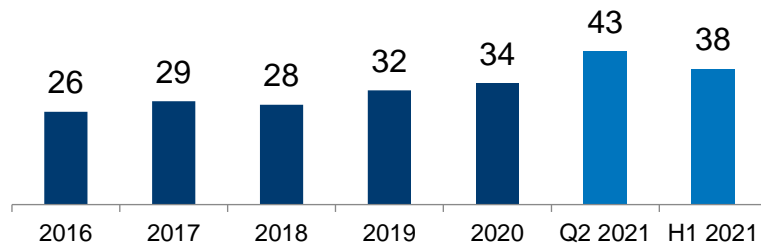
PULP & PAPER



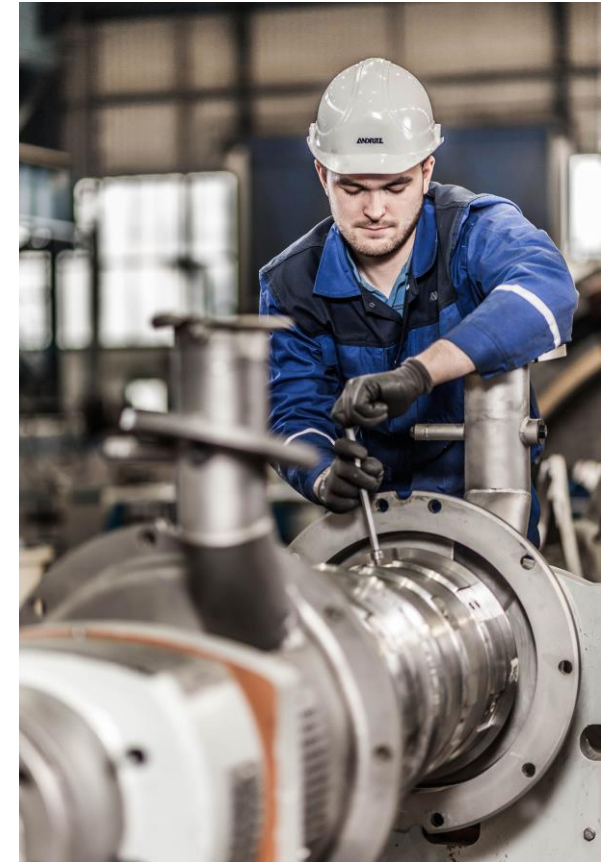
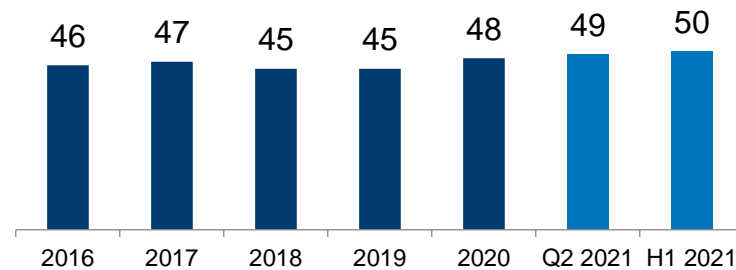
METALS



HYDRO



SEPARATION

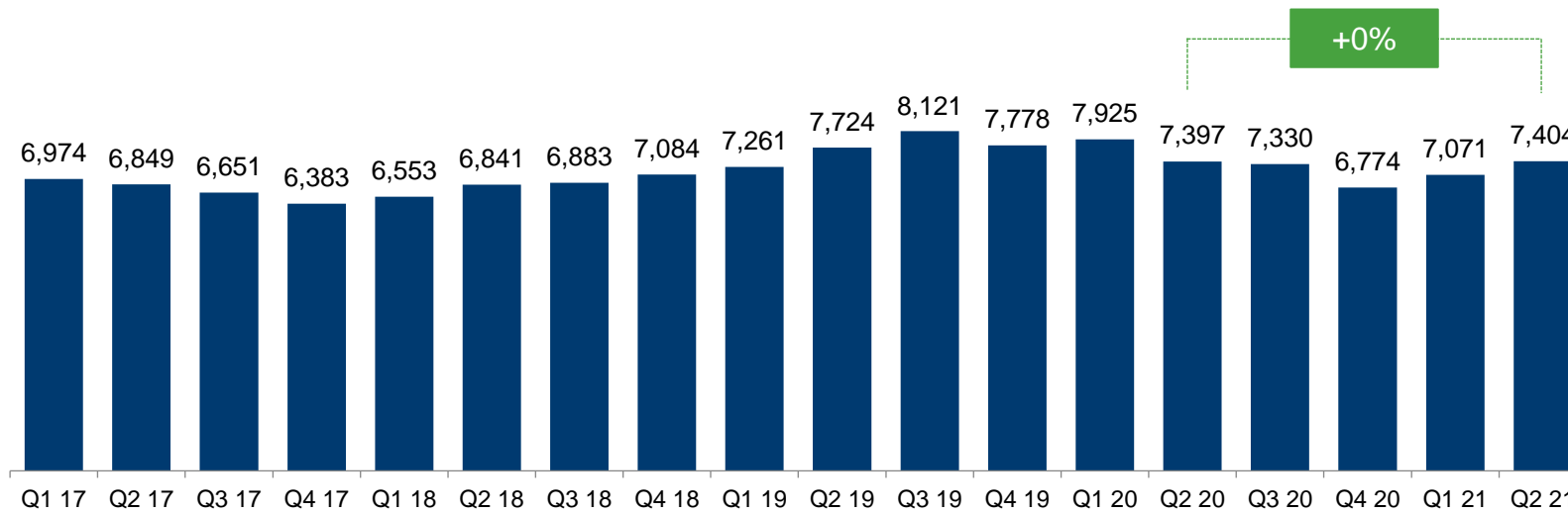


ORDER BACKLOG

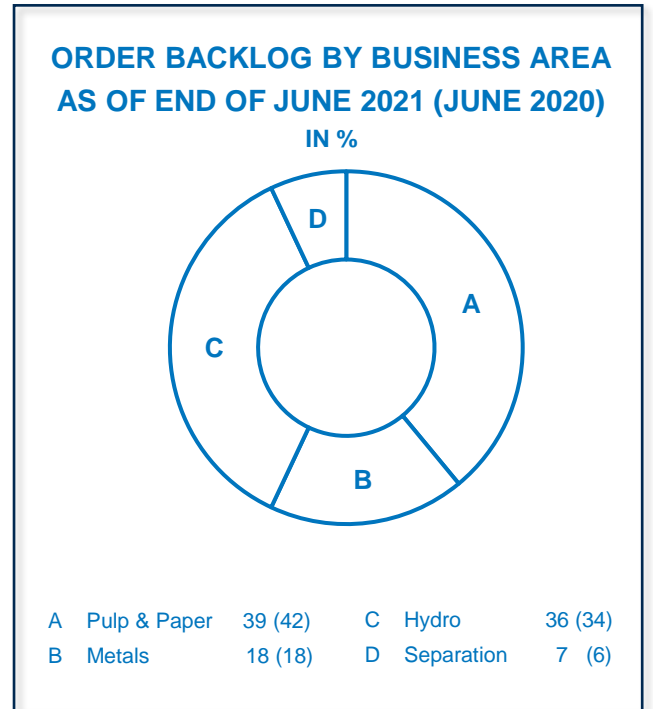


Order backlog at 7.4 billion euros as of end of Q2 2021

ORDER BACKLOG (AS OF END OF PERIOD; IN MEUR)



Pulp & Paper and Hydro **account for 75% of total order backlog**

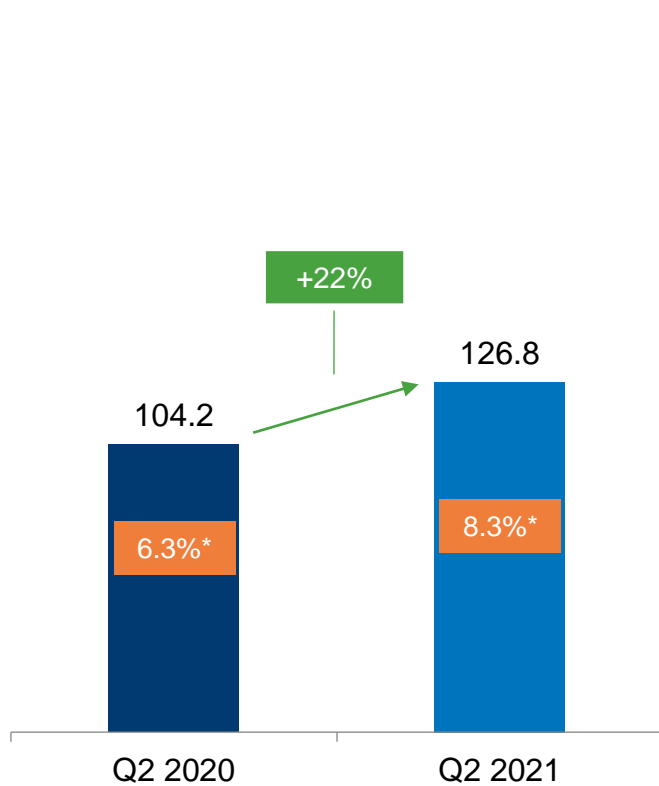


EARNINGS AND PROFITABILITY UP

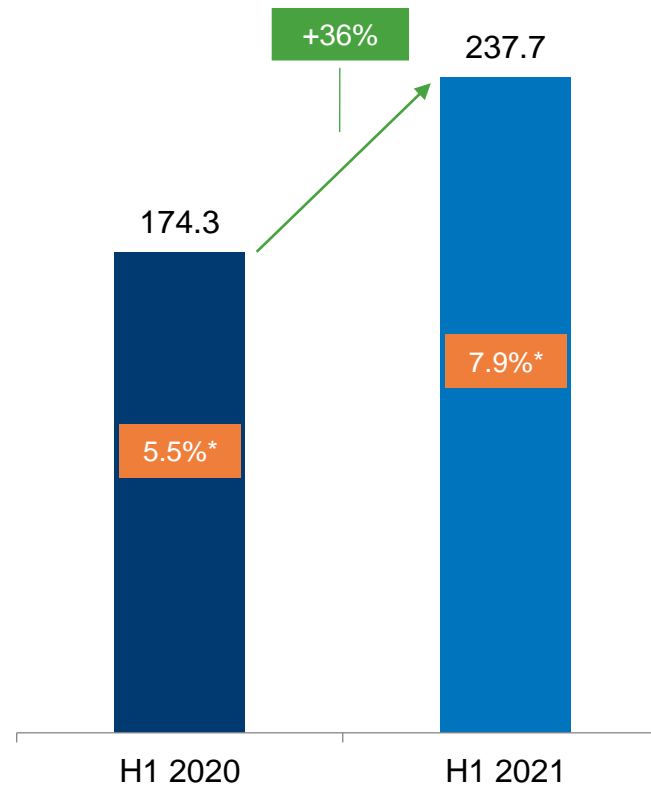


Continuing favorable business development in Pulp & Paper and Separation

EBITA (IN MEUR) AND EBITA MARGIN Q2 2021 (IN %)



EBITA (IN MEUR) AND EBITA MARGIN H1 2021 (IN %)



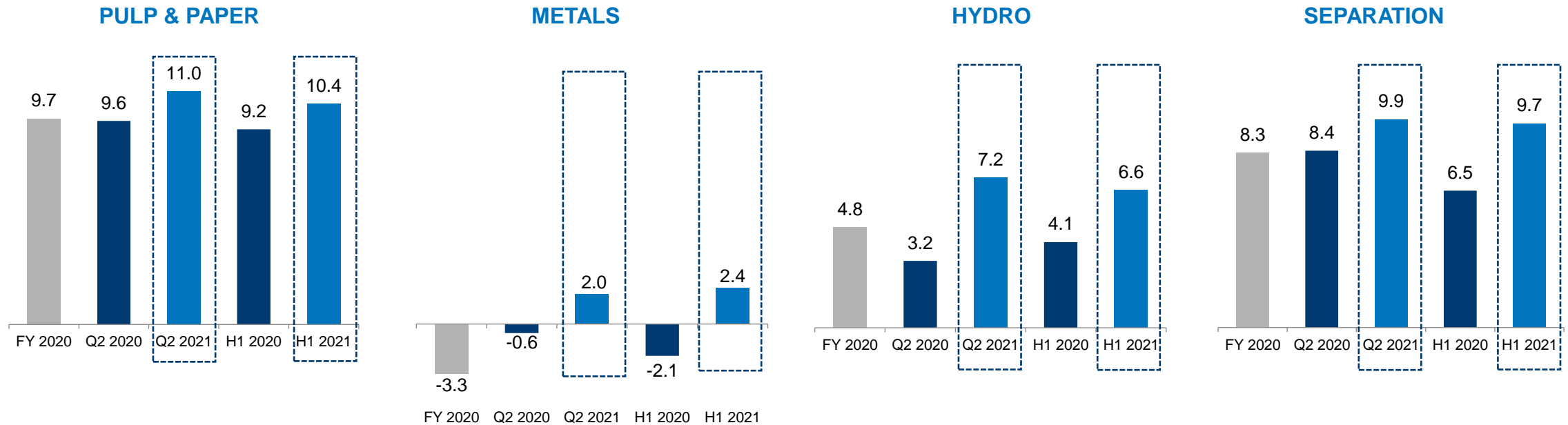
- **Reduction of headcount** by 1,100 people during last 12 months
- Positive effects from group-wide **cost containment measures**, e.g. travel costs
- Cost savings resulting from **capacity adjustments and restructuring measures** in Metals Forming and Hydro

* EBITA and EBITA margin reported

PROFITABILITY BY BUSINESS AREA

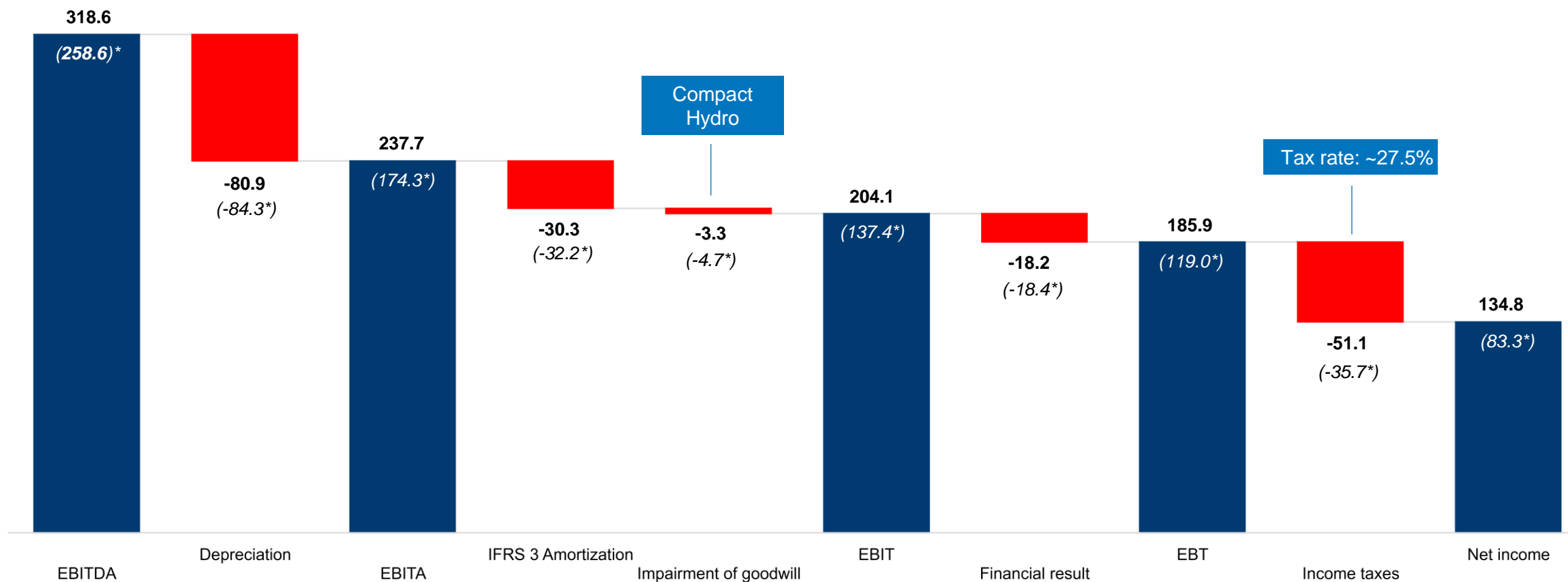


EBITA margin (%)



- Continued high **profitability in Pulp & Paper Capital and Service**
- **Metals** continued its **positive earnings development** from Q1 2021, progressing on its turnaround
- **Hydro profitability increased significantly** compared to last year, which was impacted by under-absorption of capacities and processing of low-margin orders
- **Separation** profitability continued very favorably

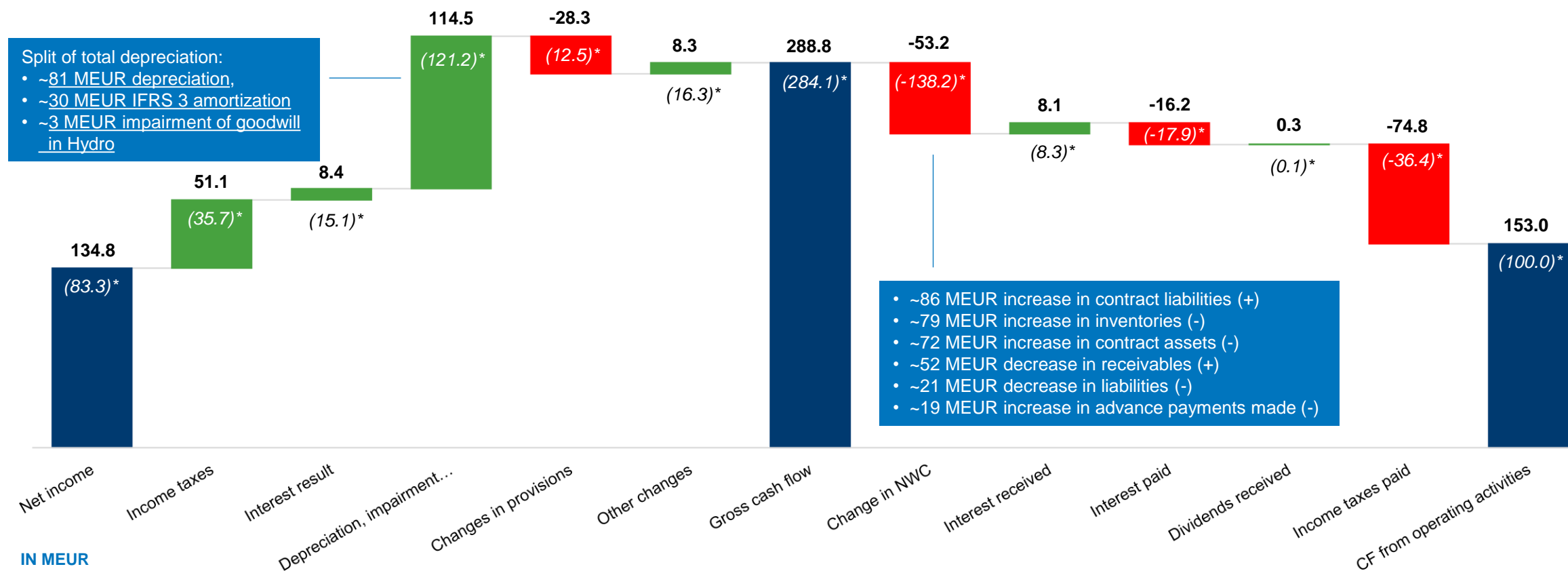
EBITDA – NET INCOME BRIDGE



IN MEUR

* (H1 2020)

CASH FLOW FROM OPERATING ACTIVITIES IMPROVED



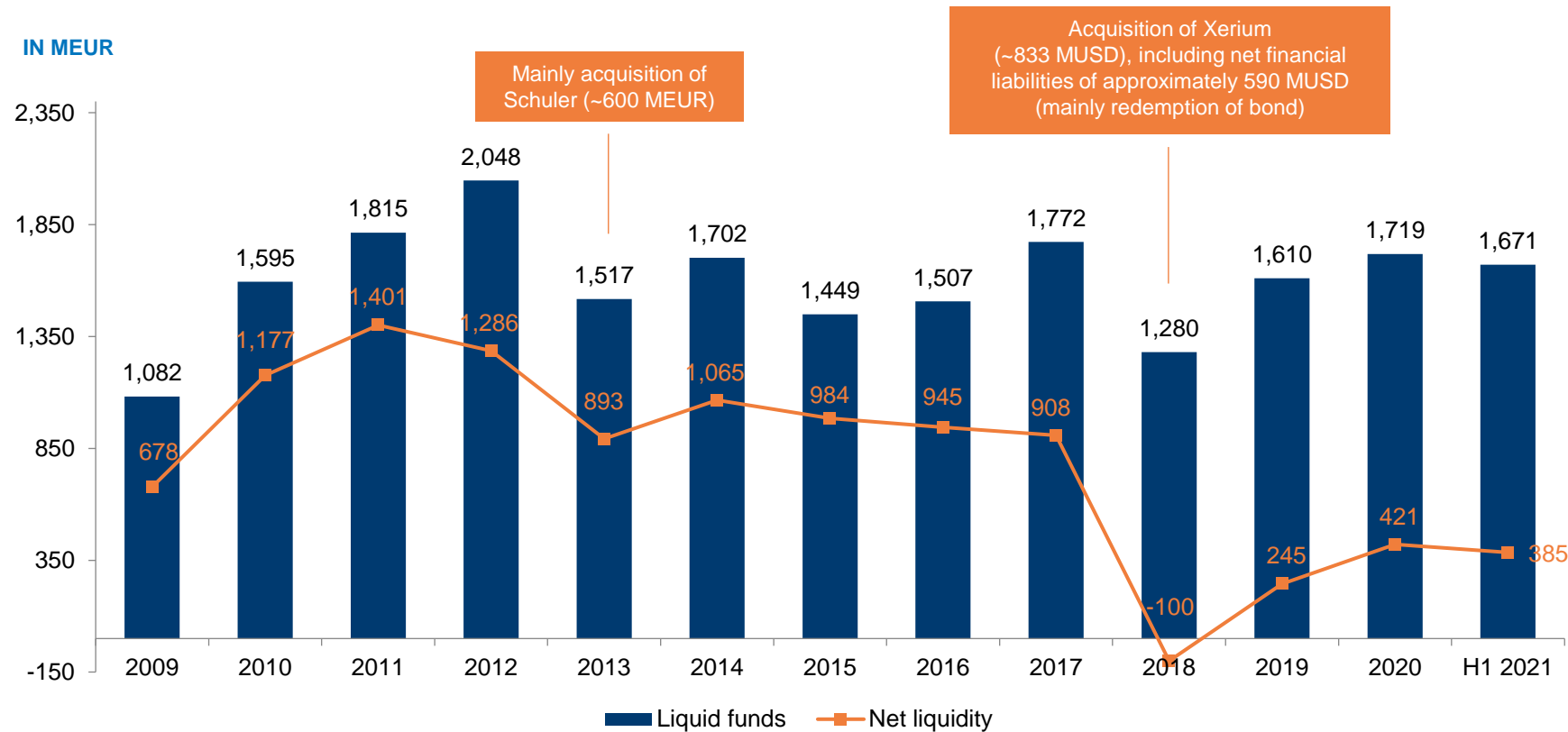
IN MEUR

* (H1 2020)

SOLID FINANCIAL POSITION



Gross cash of ~1.7 billion euros, net liquidity almost 400 million euros



- In addition to the high amount of disposable cash, ANDRITZ has surety lines of 5.6 bn EUR and credit lines of 0.3 bn EUR
- Financial liabilities mainly relate to SSDs and some loans with preferential interest rates

Note: Since January 1, 2019, lease liabilities are excluded from the calculation of net liquidity; 2018 adjusted

KEY FIGURES Q2 / H1 2021 AT A GLANCE



Slight improvement of cash flow, solid financial position

Solid financial position based on increased operational profitability and cash flow

Liquid funds and net liquidity improved y/y despite slight increase in working capital

	UNIT	Q2 2021	Q2 2020	+/-	H1 2021	H1 2020	+/-	2020
Order intake	MEUR	1,862.3	1,183.8	+57.3%	3,591.8	3,036.7	+18.3%	6,108.0
Order backlog (as of end of period)	MEUR	7,403.5	7,396.6	+0.1%	7,403.5	7,396.6	+0.1%	6,774.0
Revenue	MEUR	1,533.8	1,662.8	-7.8%	3,027.0	3,173.0	-4.6%	6,699.6
EBITA	MEUR	126.8	104.2	+21.7%	237.7	174.3	+36.4%	391.7
Net income (including non-controlling interests)	MEUR	73.8	52.8	+39.8%	134.8	83.3	+61.8%	203.7
Cash flow from operating activities	MEUR	83.8	43.1	+94.4%	153.0	100.0	+53.0%	461.5
Capital expenditure	MEUR	28.2	30.0	-6.0%	60.1	59.9	+0.3%	131.8
Liquid funds	MEUR	1,670.7	1,531.0	+9.1%	1,670.7	1,531.0	+9.1%	1,719.3
Net liquidity	MEUR	384.5	205.7	+86.9%	384.5	205.7	+86.9%	420.9
Net working capital	MEUR	31.9	-4.9	n.a.	31.9	-4.9	n.a.	-48.8

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PULP & PAPER: SOLID DEVELOPMENT IN BOTH CAPITAL AND SERVICE



Favorable development of order intake; earnings up despite decline in revenue

Order intake significantly up q/q with solid development across all divisions

Decline in revenue due to lower contribution of larger orders compared to last year

Earnings and profitability at unchanged high level. Both the capital and service business showed a very favorable development

	UNIT	Q2 2021	Q2 2020	+/-	H1 2021	H1 2020	+/-	2020
Order intake	MEUR	866.8	621.6	+39.4%	1,712.3	1,699.8	+0.7%	2,961.1
Order backlog (as of end of period)	MEUR	2,888.4	3,118.4	-7.4%	2,888.4	3,118.4	-7.4%	2,591.0
Revenue	MEUR	753.7	882.3	-14.6%	1,464.6	1,595.6	-8.2%	3,339.0
EBITDA	MEUR	101.9	103.6	-1.6%	189.2	184.8	+2.4%	399.6
EBITDA margin	%	13.5	11.7	-	12.9	11.6	-	12.0
EBITA	MEUR	83.2	84.5	-1.5%	152.0	146.3	+3.9%	322.7
EBITA margin	%	11.0	9.6	-	10.4	9.2	-	9.7
Employees (as of end of period; without apprentices)	-	11,363	11,204	+1.4%	11,363	11,204	+1.4%	11,127

ORDER INTAKE BY REGION H1 2021 VS. H1 2020 (%)



REVENUE BY REGION H1 2021 VS. H1 2020 (%)



METALS: POSITIVE EARNINGS DEVELOPMENT CONTINUES



Order intake significantly higher compared to very low comparison level last year

Order intake significantly up, solid development of Metals Processing as well as Metals Forming

Decrease in revenue due to decline in order intake in the past year

Earnings and profitability improved due to positive effects from cost cutting measures implemented in Metals Forming (Schuler) last year

	UNIT	Q2 2021	Q2 2020	+/-	H1 2021	H1 2020	+/-	2020
Order intake	MEUR	414.5	126.6	+227.4%	843.6	488.1	+72.8%	1,143.6
Order backlog (as of end of period)	MEUR	1,365.9	1,302.1	+4.9%	1,365.9	1,302.1	+4.9%	1,181.6
Revenue	MEUR	322.0	343.0	-6.1%	638.1	698.2	-8.6%	1,420.5
EBITDA	MEUR	16.3	8.2	+98.8%	34.9	5.8	+501.7%	5.5
EBITDA margin	%	5.1	2.4	-	5.5	0.8	-	0.4
EBITA	MEUR	6.3	-2.0	n.a.	15.2	-15.0	n.a.	-46.7
EBITA margin	%	2.0	-0.6	-	2.4	-2.1	-	-3.3
Employees (as of end of period; without apprentices)	-	6,129	6,903	-11.2%	6,129	6,903	-11.2%	6,513

ORDER INTAKE BY REGION H1 2021 VS. H1 2020 (%)



REVENUE BY REGION H1 2021 VS. H1 2020 (%)



HYDRO: SOLID BUSINESS DEVELOPMENT CONTINUED



Increase in order intake; revenue practically flat; earnings and profitability up

Order intake up q/q , some medium-sized orders booked (e.g. Kidston, Australia)

Revenue, earnings and profitability improved significantly

	UNIT	Q2 2021	Q2 2020	+/-	H1 2021	H1 2020	+/-	2020
Order intake	MEUR	370.2	246.9	+49.9%	654.5	492.4	+32.9%	1,335.4
Order backlog (as of end of period)	MEUR	2,664.4	2,505.9	+6.3%	2,664.4	2,505.9	+6.3%	2,587.9
Revenue	MEUR	293.5	289.4	+1.4%	609.5	587.6	+3.7%	1,296.0
EBITDA	MEUR	29.5	18.3	+61.2%	57.2	42.1	+35.9%	98.5
EBITDA margin	%	10.1	6.3	-	9.4	7.2	-	7.6
EBITA	MEUR	21.0	9.2	+128.3%	40.0	24.0	+66.7%	62.0
EBITA margin	%	7.2	3.2	-	6.6	4.1	-	4.8
Employees (as of end of period; without apprentices)	-	6,651	6,987	-4.8%	6,651	6,987	-4.8%	6,941

ORDER INTAKE BY REGION H1 2021 VS. H1 2020 (%)



REVENUE BY REGION H1 2021 VS. H1 2020 (%)



SEPARATION: VERY FAVORABLE BUSINESS DEVELOPMENT



Significant increase in order intake and revenue q/q

Order intake and revenue increased q/q, with good development in solid/liquid separation as well as in feed technologies

Favorable development of earnings and profitability continued

	UNIT	Q2 2021	Q2 2020	+/-	H1 2021	H1 2020	+/-	2020
Order intake	MEUR	210.8	188.7	+11.7%	381.4	356.4	+7.0%	667.9
Order backlog (as of end of period)	MEUR	484.8	470.2	+3.1%	484.8	470.2	+3.1%	413.5
Revenue	MEUR	164.6	148.1	+11.1%	314.8	291.6	+8.0%	644.1
EBITDA	MEUR	19.8	15.9	+24.5%	37.3	25.9	+44.0%	67.5
EBITDA margin	%	12.0	10.7	-	11.8	8.9	-	10.5
EBITA	MEUR	16.3	12.5	+30.4%	30.5	19.0	+60.5%	53.7
EBITA margin	%	9.9	8.4	-	9.7	6.5	-	8.3
Employees (as of end of period; without apprentices)	-	2,568	2,734	-6.1%	2,568	2,734	-6.1%	2,651

ORDER INTAKE BY REGION H1 2021 VS. H1 2020 (%)



REVENUE BY REGION H1 2021 VS. H1 2020 (%)



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UPDATE MARKET EXPECTATIONS FOR REMAINING MONTHS OF 2021



Continued solid outlook for all industries served by ANDRITZ

Market outlook:

- **Pulp and Paper:** Good project and investment activity is expected to continue in the remaining months of 2021; individual large-scale orders may be awarded
- **Metals Forming:** Investment activity is expected to continue at H1 2021 level
- **Metals Processing:** favorable market environment with good project activity expected to continue, driven by unchanged high steel prices
- **Hydro:** solid project and investment activity is expected to continue; some medium- or large-scale orders may be awarded in the coming months
- **Separation:** Continuing good project and investment activity is expected in the next few months both in solid/liquid separation and in the feed technologies sector



FINANCIAL GUIDANCE FOR 2021 CONFIRMED



Financial guidance for 2021:

- **Group revenue to show a slight decline** compared to the previous year (2020: 6.700 MEUR)
- **Significant increase in reported EBITA** compared to 2020 (2020: 392 MEUR) and **profitability of around 8%** (EBITA margin reported 2020: 5.8%) **expected**
- From today's perspective, no substantial extraordinary effects are expected for 2021



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