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**euro adhoc: Andritz AG / quarterly or semiannual financial statement / Andritz:
Results for the First Half of 2007 - Increase in Order Intake, Sales, and Net Income -
Order Backlog, at over 3.8 bn Euros, provides solid basis for the coming Quarters - Sig**

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6-month report

03.08.2007

Graz, August 3, 2007. International Technology Group Andritz reports a very favorable business development for the First Half of 2007, with increases in Order Intake as well as in Sales and Net Income compared to the reference period of last year. Order Backlog as of 30.06.2007 reached a record level of more than 3.8 billion Euros. For the full year 2007, Andritz expects to achieve new record results, with Group Sales to increase to approximately 3.2 bn Euros and Net Income to increase in line with Sales growth.

Increase in Sales During the First Half of 2007, Sales of the Andritz Group were 1,537.0 MEUR, an increase of 58.9% compared to the reference period of last year (H1 2006: 967.5 MEUR). In particular, the Pulp and Paper, the Hydro Power, and the Rolling Mills and Strip Processing Lines Business Areas were able to increase their Sales compared to the First Half of last year.

Newly acquired companies, which were not included in the consolidated financial statements of the First Half of 2006, added 334.7 MEUR to Group Sales in the First Half of 2007 (of which 331.8 MEUR came from VA TECH HYDRO). Organic growth of the Andritz Group, therefore, amounted to 24.3% during the First Half of 2007.

Order Intake up, Order Backlog at record level Group Order Intake for the First Half of 2007 amounted to 2,037.5 MEUR. This was an increase of 59.5% compared to the First Half of 2006 (1,277.1 MEUR), and mainly due to the first-time consolidation of VA TECH HYDRO, whose Order Intake developed substantially above expectations, and the favorable development of the Pulp and Paper, and the Rolling Mills and Strip Processing Lines Business Areas.

During the First Half of 2007, the combined Order Intake of newly consolidated companies amounted to 516.6 MEUR, of which 512.6 MEUR came from VA TECH HYDRO.

The Group's Order Backlog as of 30.06.2007 reached a record level of 3,867.9 MEUR, thus significantly increasing compared to the reference date of last year (30.06.2006: 2,059.1 MEUR). This was mainly due to the consolidation of VA TECH HYDRO, which added 1,738.5 MEUR to the Group's Order Backlog as of 30.06.2007.

Earnings increased In step with higher Sales, Earnings before Interest, Taxes, and Amortization of intangibles related to acquisitions (EBITA) in the First Half of 2007 increased by 51.5%, to 87.4 MEUR (H1 2006: 57.7 MEUR). The EBITA margin for this period amounted to 5.7%, down compared to the reference period of last year (H1 2006: 6.0%). This is mainly due to the consolidation of VA TECH HYDRO and a slight profitability decline of the Pulp and Paper Business Area.

Net Income excluding minority interests amounted to 61.6 MEUR, exceeding last year's reference value by 54.4% (H1 2006: 39.9 MEUR).

Balance sheet structure The net worth position and capital structure of the Andritz Group as of 30.06.2007 showed no major changes

compared to 31.12.2006.

Net liquidity (cash and cash equivalents minus interest-bearing financial liabilities), at 332.9 MEUR as of 30.06.2007, was still at a very high level (31.12.2006: 365.7 MEUR). The equity ratio as of 30.06.2007 was 18.1% (31.12.2006: 17.4%).

Outlook for the full year 2007 For the Second Half of 2007, Andritz expects project activity to continue to develop favorably in all Business Areas. Wolfgang Leitner, President and CEO of Andritz: "In all of our Business Areas, we see a continued good market environment and thus expect a favorable business development for the remaining months of 2007. Based on the favorable results for the First Half of 2007, Andritz expects Group Sales to increase to approximately 3.2 bn EUR in 2007. Net Income should increase in line with Sales growth."

Key Figures for the First Half of 2007

(in MEUR)	H1 2006	H1 2007	Change	Q2 2006	Q2 2007	Change
Sales	967.5	1,537.0	+58.9%	515.9	806.1	+56.3%
Order Intake	1,277.1	2,037.5	+59.5%	529.5	1,006.5	+90.1%
Order Backlog						
(as of end of period)	2,059.1	3,867.9	+87.8%	2,059.1	3,867.9	+87.8%
EBITDA 1)	70.2	107.9	+53.7%	37.9	58.4	+54.1%
EBITDA Margin	7.3%	7.0%	-	7.3%	7.2%	-
EBITA 2)	57.7	87.4	+51.5%	31.1	47.6	+53.1%
EBITA Margin	6.0%	5.7%	-	6.0%	5.9%	-
Earnings before Interest and Taxes (EBIT)	57.7	84.4	+46.3%	31.1	46.0	+47.9%
Earnings before Taxes	59.9	87.7	+46.4%	32.0	47.1	+47.2%
Net Income excl. Minority Interests	39.9	61.6	+54.4%	21.0	33.1	+57.6%
Cash flow from Operating Activities	-88.0	34.6	+139.3%	-63.2	-5.1	+91.9%
Capital Expenditure 3)	13.1	23.1	+76.3%	8.5	12.3	+44.7%
Employees (as of end of period)	6,766	10,946	+61.8%	6,766	10,946	+61.8%

1) EBITDA: Earnings before Interest, Taxes, Depreciation and Amortization 2) EBITA: Earnings before Interest, Taxes, and Amortization of intangibles related to acquisitions 3) Additions to property, plant, and equipment and intangible assets

Disclaimer Certain statements contained in this press release constitute "forward-looking statements". These statements, which contain the words "believe", "intend", "expect" and words of similar meaning, reflect management's beliefs and expectations and are subject to risks and uncertainties that may cause actual results to differ materially. As a result, readers are cautioned not to place undue reliance on such forward-looking statements. The Company disclaims any obligation to publicly announce the result of any revisions to the forward-looking statements made herein, except where it would be required to do so under applicable law.

The Andritz Group Listed Andritz Group is a global market leader for advanced production systems for pulp and paper, steel and other specialized industries. Andritz has a staff of approximately 11,000 employees worldwide. It develops and makes its high-tech systems at 35 production sites in Austria, Germany, Finland, Denmark, France, Netherlands, USA, Canada and China.

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