

06.03.2009 – 08:01 Uhr

**euro adhoc: Andritz AG / Financial Figures/Balance Sheet / Financial year 2008:
ANDRITZ shows solid business development - Sales and earnings reach record levels -
Order intake and order backlog at high levels - High cash position as basis for fur**

Disclosure announcement transmitted by euro adhoc. The issuer is responsible
for the content of this announcement.

annual report

06.03.2009

Graz, March 6, 2009. International technology Group ANDRITZ recorded a satisfactory business development during financial year 2008, despite the difficult economic environment since the beginning of the fourth quarter of 2008. Sales rose to over 3.6 billion Euros (+10% vs. 2007); order intake, at over 3.7 billion Euros, was only slightly below the previous year's record value. The order backlog was close to 4.3 billion Euros as of December 31, 2008, thus 11.3% higher than the previous year's reference value. EBITA amounted to 233.2 MEUR (+11.2% vs. 2007: 209.7 MEUR), showing slightly stronger growth than sales. Thus, the Group's EBITA margin increased to 6.5% in 2008 (2007: 6.4%). Net income (after deduction of minority interests) increased to 139.7 MEUR (2007: 134.5 MEUR). At the forthcoming Annual General Meeting, the Executive Board will propose a dividend increase to 1.10 EUR per share (2007: 1.00 EUR per share), which corresponds to a dividend payout ratio of 40.3% (2007: 38.3%).

Record sales of over 3.6 billion Euros The ANDRITZ GROUP achieved sales in the amount of 3,609.8 MEUR in 2008, an increase of 10.0% compared to the previous year (2007: 3,282.5 MEUR), thus reaching a new record. In particular, the HYDRO and METALS business areas achieved very positive sales developments. Organic growth of Group sales was 2.2% in 2008.

Order intake only slightly below 2007 record value The order intake of the ANDRITZ GROUP for 2008 was 3,705.3 MEUR, and thus - despite the difficult economic environment - only slightly below the previous year's record value (2007: 3,749.5 MEUR). In particular, the HYDRO business area was able to significantly increase its order intake compared to the previous year, but also the ENVIRONMENT & PROCESS and the FEED & BIOFUEL business areas recorded growth rates. The PULP & PAPER business area, on the other hand, was affected by the global economic downswing - especially during the fourth quarter of 2008 - and suffered a decline in order intake.

Order backlog of the ANDRITZ GROUP amounted to 4,277.4 MEUR as of December 31, 2008, up 11.3% from the previous year (December 31, 2007: 3,843.3 MEUR). Thus, the ANDRITZ GROUP has a solid workload for the coming quarters.

Favorable earnings development The ANDRITZ GROUP's EBITA reached 233.2 MEUR (2007: 209.7 MEUR), thus rising 11.2% and showing slightly stronger growth than sales. Thus, the EBITA margin increased from 6.4% in 2007 to 6.5% in 2008. Excluding costs for restructuring and capacity adjustments made due to the current global financial and economic crisis, the EBITA margin amounts to 6.8%. The ANDRITZ GROUP's earnings increase in 2008 is mainly due to very good development of earnings and profitability in the HYDRO and ENVIRONMENT & PROCESS business areas.

Due to mark-to-market adjustments for money market funds required as a result of the financial crisis, the financial result for 2008 decreased to -8.1 MEUR compared to -0.1 MEUR in 2007. Net income (after deduction of minority interests) amounted to 139.7 MEUR (2007: 134.5 MEUR).

Solid net worth position and capital structure Total assets of the ANDRITZ GROUP amounted to 3,086.3 MEUR as of December 31, 2008, which is considerably higher than at the previous year's reference date (December 31, 2007: 2,509.4 MEUR). This increase is due to the first-time consolidation of the companies acquired in 2008 and the successful issue of a public corporate bond with a volume of 150 MEUR, as well as the over-proportional increase in gross cash.

Shareholders' equity of the ANDRITZ GROUP as of December 31, 2008 was 577.4 MEUR (December 31, 2007: 481.6 MEUR); the equity ratio as of December 31, 2008 was 18.7% (December 31, 2007: 19.2%).

Gross cash as of December 31, 2008 was 821.8 MEUR (December 31, 2007: 598.8 MEUR); net liquidity rose to 408.9 MEUR (December 31, 2007: 246.5 MEUR).

Dividend increase The Executive Board will propose to the Annual General Meeting of Shareholders a dividend increase to 1.10 EUR per share (2007: 1.00 EUR per share), which corresponds to a dividend payout ratio of 40.3% (2007: 38.3%).

Outlook for 2009 Given the continuation of the difficult and unstable economic environment, a reliable forecast of the business development of the ANDRITZ GROUP for 2009 can only be made to a limited extent.

'The current economic environment is certainly very challenging. 2009 will be difficult, but we are well-positioned, structurally and financially. First adjustments were made last year already to adapt the Group to the changed environment. We are watching the economic development very closely and will take further measures in good time if required,' said Dr. Wolfgang Leitner,

President and CEO of ANDRITZ AG. With regard to the sales and earnings forecasts for 2009, he said: 'From today's point of view, for 2009, we expect sales of the ANDRITZ GROUP to decline by about 15% and net income to decrease compared to 2008.'

ANDRITZ GROUP key figures:

MEUR (IFRS)	2008	2007*	+/-	
Sales	3,609.8	3,282.5	+10.0%	
HYDRO	1,205.9	910.0	+32.5%	
PULP & PAPER	1,326.6	1,462.2	-9.3%	
METALS	566.2	408.0	+38.8%	
ENVIRONMENT & PROCESS		366.6	364.4	+0.6%
FEED & BIOFUEL	144.5	137.8	+4.9%	
Order intake	3,705.3	3,749.5	-1.2%	
HYDRO	1,543.4	1,216.1	+26.9%	
PULP & PAPER	1,033.8	1,406.4	-26.5%	
METALS	611.5	636.4	-3.9%	
ENVIRONMENT & PROCESS		361.2	346.9	+4.1%
FEED & BIOFUEL	155.4	143.7	+8.1%	
Order backlog as of December 31		4,277.4	3,843.3	+11.3%
EBITDA	278.2	250.7	+11.0%	
EBITDA margin	7.7%	7.6%	-	
EBITA	233.2	209.7	+11.2%	
EBITA margin	6.5%	6.4%	-	
Operating result (EBIT)	218.5	200.9	+8.8%	
Financial result	-8.1	-0.1	n.s.	
Earnings before taxes	210.5	200.8	+4.8%	
Net income after minorities	139.7	134.5	+3.9%	
Cash flow from operating activities	255.0	33.1	+670.4%	
Investments in fixed tangible and intangible assets	69.7	57.0	+22.3%	
Employees as of December 31		13,707	12,016	+14.1%

*restated

The annual report and financial report 2008 are available on the ANDRITZ website at www.andritz.com as an online and pdf version. Printed copies can be requested by telephone (+43.316.6902.2722), fax (+43.316.6902-465), or e-mail (petra.wolf@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 13,700 employees worldwide. ANDRITZ operates over 150 production sites, service, and sales companies all around the world.

DISCLAIMER Certain statements contained in this press release constitute 'forward-looking statements.' These statements, which contain the words 'believe', 'intend', 'expect', and words of a similar meaning, reflect the Executive Board'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.

end of announcement euro adhoc

Further inquiry note:

Dr. Michael Buchbauer,
Head of Group Treasury, Corporate Communications & Investor Relations
Phone: +43.316.6902-2979
michael.buchbauer@andritz.com

Branche: Machine Manufacturing
ISIN: AT0000730007
WKN: 632305
Index: WBI, ATX Prime, ATX
Börsen: Wiener Börse AG / official dealing

Original content of: Andritz AG, transmitted by news aktuell

Diese Meldung kann unter <https://www.presseportal.de/en/pm/54966/1364719> abgerufen werden.