

Q1

INTERIM FINANCIAL REPORT FIRST QUARTER OF 2012

ANDRITZ increased its stake in Hammerfest Strøm AS from 33% to 55% in the first quarter of 2012. The company, operating under the name of ANDRITZ HYDRO Hammerfest, is a world market leader in technologies for energy generation from tidal currents occurring in coastal waters (page 6).

ANDRITZ

KEY FINANCIAL FIGURES OF THE ANDRITZ GROUP

(According to IFRS)	Unit	Q1 2012	Q1 2011	+/-	2011
Order intake	MEUR	1,361.2	1,666.0	-18.3%	5,706.9
Order backlog (as of end of period)	MEUR	7,034.7	6,388.0	+10.1%	6,683.1
Sales	MEUR	1,185.7	923.7	+28.4%	4,596.0
Return on sales ¹⁾	%	5.6	5.6	-	6.8
EBITDA ²⁾	MEUR	86.5	68.7	+25.9%	386.2
EBITA ³⁾	MEUR	72.5	56.1	+29.2%	331.5
Earnings Before Interest and Taxes (EBIT)	MEUR	66.7	52.0	+28.3%	312.7
Earnings Before Taxes (EBT)	MEUR	70.1	55.0	+27.5%	321.7
Net income (including non-controlling interests)	MEUR	50.4	38.8	+29.9%	231.5
Net income (without non-controlling interests)	MEUR	50.5	37.0	+36.5%	230.7
Cash flow from operating activities	MEUR	31.2	151.1	-79.4%	433.8
Capital expenditure ⁴⁾	MEUR	19.5	10.3	+89.3%	77.0
Employees (as of end of period; without apprentices)	-	17,063	15,856	+7.6%	16,750
Fixed assets	MEUR	1,221.2	869.0	+40.5%	1,151.8
Current assets	MEUR	3,293.7	3,392.7	-2.9%	3,414.8
Shareholders' equity ⁵⁾	MEUR	880.4	729.1	+20.8%	938.9
Provisions	MEUR	676.7	634.3	+6.7%	667.3
Liabilities	MEUR	2,957.8	2,898.3	+2.1%	2,960.4
Total assets	MEUR	4,514.9	4,261.7	+5.9%	4,566.6
Equity ratio ⁶⁾	%	19.5	17.1	-	20.6
Return on equity ⁷⁾	%	8.0	7.5	-	34.3
Return on investment ⁸⁾	%	1.5	1.2	-	6.8
Liquid funds ⁹⁾	MEUR	1,730.3	1,726.2	+0.2%	1,814.5
Net liquidity ¹⁰⁾	MEUR	1,301.4	1,312.0	-0.8%	1,400.6
Net debt ¹¹⁾	MEUR	-1,099.8	-1,135.1	+3.1%	-1,198.4
Net working capital ¹²⁾	MEUR	-622.3	-725.9	-14.3%	-639.2
Capital employed ¹³⁾	MEUR	-83.3	-254.6	-67.3%	-128.6
Gearing ¹⁴⁾	%	-124.9	-155.7	-	-127.6
EBITDA margin	%	7.3	7.4	-	8.4
EBITA margin	%	6.1	6.1	-	7.2
EBIT margin	%	5.6	5.6	-	6.8
Net income ¹⁵⁾ /sales	%	4.3	4.2	-	5.0
ROE ¹⁶⁾	%	5.7	5.3	-	24.7
EV ¹⁷⁾ /EBITDA	-	29.1	30.7	-	5.0
Depreciation and amortization/sales	%	1.7	1.8	-	1.6

1) EBIT (Earnings Before Interest and Taxes)/sales 2) Earnings Before Interest, Taxes, Depreciation, and Amortization 3) Earnings Before Interest, Taxes, Amortization of identifiable assets acquired in a business combination and recognized separately from goodwill at the amount of 5,827 TEUR (4,193 TEUR for Q1 2011, 17,839 TEUR for 2011) and impairment of goodwill at the amount of 0 TEUR (0 TEUR for Q1 2011, 1,000 TEUR for 2011) 4) Additions to intangible assets and property, plant, and equipment 5) Total shareholders' equity incl. non-controlling interests 6) Shareholders' equity/total assets 7) EBT (Earnings Before Taxes)/shareholders' equity 8) EBIT (Earnings Before Interest and Taxes)/total assets 9) Cash and cash equivalents plus marketable securities plus loans against borrowers' notes 10) Liquid funds plus fair value of interest rate swaps minus financial liabilities 11) Interest bearing liabilities including provisions for severance payments, pensions, and jubilee payments minus cash and cash equivalents, marketable securities, and loans against borrowers' notes 12) Non-current receivables plus current assets (excluding cash and cash equivalents as well as marketable securities) minus other non-current liabilities and current liabilities (excluding financial liabilities and provisions) 13) Net working capital plus intangible assets and property, plant, and equipment 14) Net debt/total shareholders' equity 15) Net income (including non-controlling interests) 16) ROE (Return On Equity): net income/total shareholders' equity 17) EV (Enterprise Value): market capitalization based on closing price as of end of period minus net liquidity

KEY FINANCIAL FIGURES OF THE BUSINESS AREAS

HYDRO	Unit	Q1 2012	Q1 2011	+/-	2011
Order intake	MEUR	597.5	583.9	+2.3%	2,096.2
Order backlog (as of end of period)	MEUR	3,907.6	3,633.4	+7.5%	3,671.4
Sales	MEUR	403.4	364.5	+10.7%	1,772.9
EBITDA	MEUR	37.2	32.7	+13.8%	174.3
EBITDA margin	%	9.2	9.0	-	9.8
EBITA	MEUR	30.2	27.1	+11.4%	147.7
EBITA margin	%	7.5	7.4	-	8.3
Employees (as of end of period; without apprentices)	-	7,379	7,266	+1.6%	7,285

PULP & PAPER	Unit	Q1 2012	Q1 2011*	+/-	2011*
Order intake	MEUR	529.4	817.5	-35.2%	2,694.1
Order backlog (as of end of period)	MEUR	2,290.4	1,870.3	+22.5%	2,230.0
Sales	MEUR	563.5	373.3	+51.0%	1,884.9
EBITDA	MEUR	35.3	24.7	+42.9%	138.1
EBITDA margin	%	6.3	6.6	-	7.3
EBITA	MEUR	30.4	20.2	+50.5%	120.4
EBITA margin	%	5.4	5.4	-	6.4
Employees (as of end of period; without apprentices)	-	6,381	5,553	+14.9%	6,208

SEPARATION	Unit	Q1 2012	Q1 2011*	+/-	2011*
Order intake	MEUR	124.1	124.5	-0.3%	438.8
Order backlog (as of end of period)	MEUR	291.7	277.5	+5.1%	250.8
Sales	MEUR	90.0	81.3	+10.7%	419.9
EBITDA	MEUR	6.1	6.0	+1.7%	42.7
EBITDA margin	%	6.8	7.4	-	10.2
EBITA	MEUR	5.0	4.5	+11.1%	36.7
EBITA margin	%	5.6	5.5	-	8.7
Employees (as of end of period; without apprentices)	-	1,737	1,582	+9.8%	1,752

METALS	Unit	Q1 2012	Q1 2011	+/-	2011
Order intake	MEUR	64.3	104.7	-38.6%	318.6
Order backlog (as of end of period)	MEUR	471.1	554.3	-15.0%	465.1
Sales	MEUR	89.4	71.1	+25.7%	372.7
EBITDA	MEUR	4.7	3.7	+27.0%	21.5
EBITDA margin	%	5.3	5.2	-	5.8
EBITA	MEUR	4.2	3.2	+31.3%	19.4
EBITA margin	%	4.7	4.5	-	5.2
Employees (as of end of period; without apprentices)	-	998	918	+8.7%	945

FEED & BIOFUEL	Unit	Q1 2012	Q1 2011	+/-	2011
Order intake	MEUR	45.9	35.4	+29.7%	159.2
Order backlog (as of end of period)	MEUR	73.9	52.5	+40.8%	65.8
Sales	MEUR	39.4	33.5	+17.6%	145.6
EBITDA	MEUR	3.2	1.6	+100.0%	9.6
EBITDA margin	%	8.1	4.8	-	6.6
EBITA	MEUR	2.7	1.1	+145.5%	7.3
EBITA margin	%	6.9	3.3	-	5.0
Employees (as of end of period; without apprentices)	-	568	537	+5.8%	560

* In the first quarter of 2012, there was a minor shift of some products from the SEPARATION business area to the PULP & PAPER business area. Comparison figures for 2011 have been adjusted accordingly in both business areas.

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MANAGEMENT REPORT

GENERAL ECONOMIC CONDITIONS

The first quarter of 2012 was marked by further stabilization of the global financial markets and a sustained, but only slight economic recovery in the USA and the Euro zone.

In the USA, the upswing on the labor market continued. Over the past few months, more than 245,000 new jobs were created on average, which is considerably more than the monthly average of around 153,000 new jobs in 2011. However, the impact of the resulting rise in wages and salaries on consumer demand will only be minor according to economists because private households are still highly indebted and income gains are used primarily to reduce debts. In addition, the comparatively high inflation rate – driven in particular by the high oil price – had a negative impact on real incomes. Capital expenditure by companies will also continue to develop at a very moderate level as the outlook on the further development of the economy is still highly uncertain. In view of this continuing moderate economic development, the US Federal Reserve has announced that the key interest rate will remain just above zero at least until the end of 2014.

Economic development in Europe also showed stabilization and recovery, although this trend was much more moderate than in the USA. The economic indicators published in the first quarter of this year do not show any signs of a sustained and significant economic upswing at present. Dampening effects come particularly from government measures to consolidate budgets, which lead to a marked decline in public capital expenditure. The labor market also continues to be very tense. The liquidity made available to the European banks through the refinancing operation (LTRO) of the European Central Bank (ECB) does stabilize the credit and financial markets, but this liquidity flows largely into the purchase of government bonds and not into loans for company investments. The ECB will also continue its low interest rate policy in the next few quarters in order to stimulate the economy.

In contrast, economic growth continued in Asia and the other larger emerging markets in the period under review, although this growth was more moderate than in the preceding quarters. The Chinese economy was affected particularly by the weakness in exports as a result of the economic crises in Europe and the USA. In Brazil, however, the continuing high level of domestic consumption was able to compensate for the weakness of the manufacturing sector to a large extent. The central banks in China and Brazil have announced their intention to stimulate economic activity further by continuing to ease monetary policy.

Source: OECD

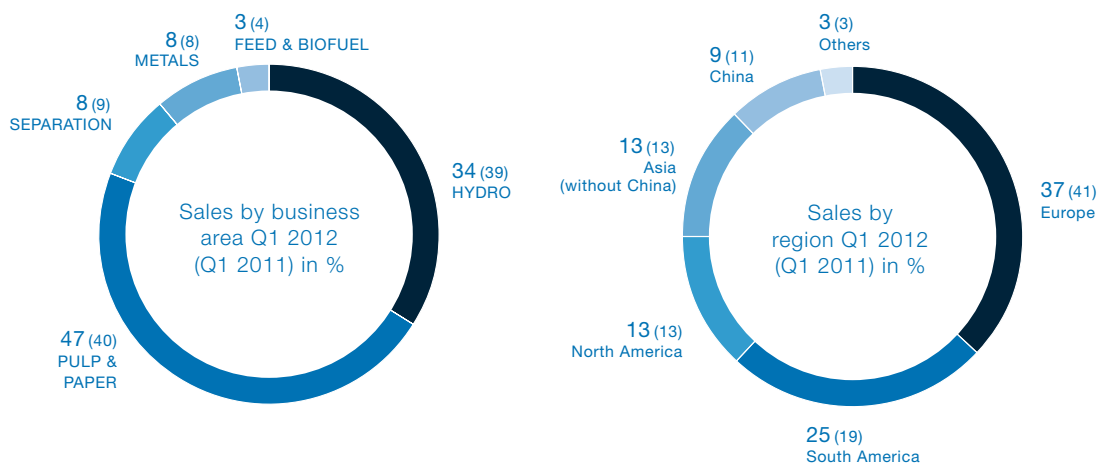
BUSINESS DEVELOPMENT

Note

In the first quarter of 2012, there was a minor shift of some products from the SEPARATION business area to the PULP & PAPER business area. Comparison figures for 2011 have been adjusted accordingly in both business areas.

Sales

Sales of the ANDRITZ GROUP reached 1,185.7 MEUR during the first quarter of 2012. This is an increase of 28.4% compared to last year's reference figure (Q1 2011: 923.7 MEUR). All business areas, particularly PULP & PAPER, recorded a significant increase in sales.



Share of service sales of Group and business area sales in %

	Q1 2012	Q1 2011
ANDRITZ GROUP	24	27
HYDRO	22	22
PULP & PAPER	25	31
SEPARATION	33	36
METALS	7	8
FEED & BIOFUEL	54	54

Order intake

The order intake of the Group amounted to 1,361.2 MEUR. Although declining by 18.3% compared to the very high figure of previous year's reference period (Q1 2011: 1,666.0 MEUR), which included a major PULP & PAPER order, the order intake nevertheless reached a favorable high level.

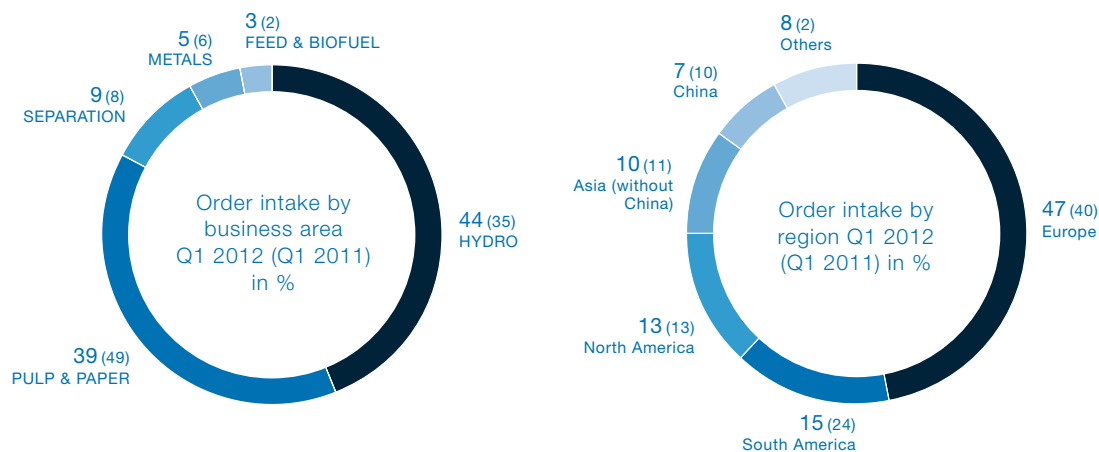
The HYDRO business area's order intake, at 597.5 MEUR, and was slightly (+2.3%) above the high level of the first quarter of 2011 (583.9 MEUR).

The PULP & PAPER business area noted an order intake of 529.4 MEUR, thus declining compared to the high order intake of last year's reference period, which included the major order for Eldorado Brasil (-35.2% vs. Q1 2011: 817.5 MEUR).

The order intake of the SEPARATION business area, at 124.1 MEUR, was practically at the same level as in the first quarter of 2011 (-0.3% vs. Q1 2011: 124.5 MEUR).

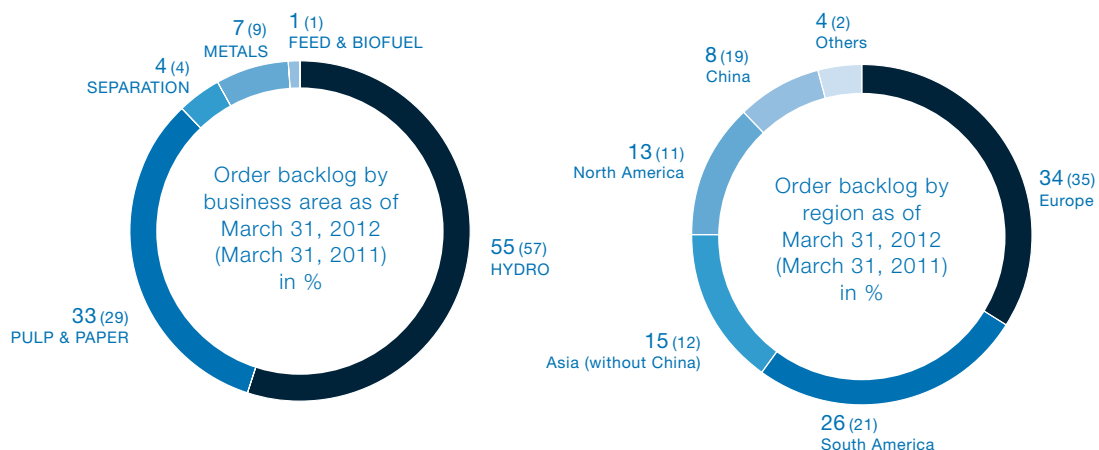
The METALS business area noted an order intake of 64.3 MEUR, thus declining by 38.6% compared to the previous year's reference figure (Q1 2011: 104.7 MEUR).

The FEED & BIOFUEL business area's order intake showed a very favorable development and increased significantly to 45.9 MEUR (+29.7% vs. Q1 2011: 35.4 MEUR).



Order backlog

As of March 31, 2012, the order backlog of the ANDRITZ GROUP rose by 5.3% compared to the end of the previous year, reaching 7,034.7 MEUR (December 31, 2011: 6,683.1 MEUR).



Earnings

Earnings (EBITA) of the Group amounted to 72.5 MEUR in the first quarter of 2012, thus increasing – in line with sales – by 29.2% compared to the previous year (Q1 2011: 56.1 MEUR). Profitability (EBITA margin), at 6.1%, reached the level of the first quarter of 2011 (6.1%). While the profitability of the PULP & PAPER business area remained unchanged compared to last year's reference period, it rose in all other business areas.

The financial result increased to 3.4 MEUR (+13.3% vs. Q1 2011: 3.0 MEUR).

Net income of the ANDRITZ GROUP (excluding non-controlling interests) amounted to 50.5 MEUR and was thus significantly above the reference figure for the previous year (+36.5% vs. Q1 2011: 37.0 MEUR).

Net worth position and capital structure

The net worth position and capital structure as of March 31, 2012 remained solid. Total assets of the Group amounted to 4,514.9 MEUR (December 31, 2011: 4,566.6 MEUR). The equity ratio reached 19.5% (December 31, 2011: 20.6%).

Liquid funds (cash and cash equivalents plus marketable securities plus loans against borrowers' notes) amounted to 1,730.3 MEUR as of March 31, 2012 (December 31, 2011: 1,814.5 MEUR), net liquidity (liquid funds plus fair value of interest rate swaps minus financial liabilities) amounted to 1,301.4 MEUR (December 31, 2011: 1,400.6 MEUR).

In addition to the high net liquidity, the ANDRITZ GROUP also has the following credit and surety lines for performance of contracts, down payments, guarantees, etc. at its disposal:

- Credit lines: 206 MEUR, thereof 88 MEUR utilized
- Surety lines: 4,935 MEUR, thereof 2,556 MEUR utilized

Assets

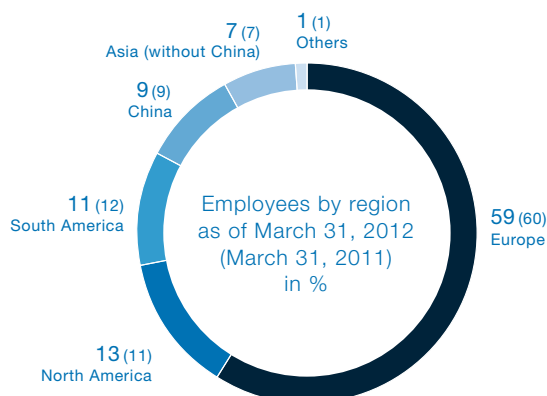
1,277.6 MEUR	1,746.5 MEUR	1,490.8 MEUR
Long-term assets: 28%	Short-term assets: 39%	Cash and cash equivalents, and marketable securities: 33%

Shareholders' equity and liabilities

880.4 MEUR	450.5 MEUR	393.4 MEUR	2,790.6 MEUR
Shareholders' equity including minority interests: 19%	Financial liabilities: 10%	Other long-term liabilities: 9%	Other short-term liabilities: 62%

Employees

As of March 31, 2012, the number of ANDRITZ GROUP employees amounted to 17,063, a rise of 7.6% compared to March 31, 2011 (15,856 employees). This increase is mainly due to first-time consolidation of newly acquired companies.



Acquisitions

ANDRITZ increased its stake in Hammerfest Strøm AS from 33.3% to 55.4%. The company, operating under the name of ANDRITZ HYDRO Hammerfest, is a world market leader in technologies for energy generation from tidal currents occurring in coastal waters. In the waters around the European Marine Energy Centre, Scotland, ANDRITZ HYDRO Hammerfest successfully installed its self-developed tidal current turbine with an output of 1,000 kW. Operation of the pilot plant is stable, with the first power being supplied to the grid during the reporting period.

In March 2012, ANDRITZ acquired Bricmont Inc., a company headquartered in Pittsburgh, Pennsylvania, USA, and certain assets in China and India. ANDRITZ Bricmont supplies furnace systems to the aluminum and steel industries and further complements the existing furnace product portfolio of the ANDRITZ METALS business area, which is one of the leading global suppliers of complete lines for the production and processing of cold-rolled stainless steel, carbon steel, and non-ferrous metals. The METALS business area also provides turn-key furnace systems to the steel and copper industries. With the acquisition of Bricmont, ANDRITZ is thus further enlarging its product offerings in furnaces and also strengthening its presence in North America, China, and India.

Major risks during the remaining months of the financial year and risk management

The ANDRITZ GROUP has a long-established Group-wide risk management system whose goal is to identify nascent risks early and to take countermeasures if necessary. This is an important element of active risk management within the Group. However, there is no guarantee that the monitoring and risk control systems are sufficiently effective.

The essential risks for the business development of the ANDRITZ GROUP relate above all to the Group's dependence on the general economic environment and the development of the industries it serves, to whether major orders are received and to the risks they entail; and to whether adequate sales proceeds are realized from the high order backlog. In addition, unexpected increases in costs and difficulties in achieving the guaranteed performance parameters in the plants that ANDRITZ supplies present substantial risks during the project execution. A possible malfunction in the components and systems supplied by ANDRITZ can have serious consequences for individuals and on material assets. The financial difficulties and the continuing challenging overall economic development (particularly in Europe and the USA) also constitute a serious risk for the ANDRITZ GROUP's financial development. In addition, a possible stronger slowdown in economic activities in the emerging markets also presents a risk to the Group. The weak economy may lead to delays in the execution of existing orders and to the postponement or cancellation of existing projects. Cancellations of existing contracts could adversely affect the ANDRITZ GROUP's order backlog, which would in turn have a negative impact on the utilization of the Group's manufacturing capacities.

Complete or partial goodwill impairments resulting from acquisitions may also influence the earnings development of the ANDRITZ GROUP if the targeted financial goals for these companies cannot be reached. In addition, there is always some risk that partial or full provisions will have to be made for some trade accounts receivable.

For the majority of orders, the risk of payment failure by customers is mitigated by means of bank guarantees and export insurance, but individual payment failures can have a substantial negative impact on earnings development of the Group. Risks related to deliveries to countries with medium to high political risks typically are also insured to a large extent. Exchange rate risks in connection with the execution of the order backlog are minimized and controlled by derivative financial instruments, in particular by forward exchange contracts and swaps. Net currency exposure of orders in foreign currencies (mainly US dollars and Swiss francs) is hedged by forward contracts. Cash flow risks are monitored via monthly cash flow reports.

In order to minimize the financial risks as best as possible and to enhance monitoring, control, and assessment of its financial and liquidity position, the ANDRITZ GROUP implemented both a comprehensive treasury policy and a transparent information system.

The ANDRITZ GROUP's position in terms of liquidity is very good; the Group has sufficient liquidity reserves and secured access to liquidity. The Group avoids dependence on one single or only a few banks. To ensure independence, no bank will receive more than a certain defined amount of the business in any important product (cash and cash equivalents, financial liabilities, financial assets, guarantees, and derivatives). With this diversification, ANDRITZ is seeking to minimize the counterparty risk as best possible. Nevertheless, if one or more banks were to become insolvent, this would have a considerable negative influence on earnings development and shareholders' equity of the ANDRITZ GROUP. In addition, the lowering of ANDRITZ's credit rating by several banks can limit the financial leeway available to ANDRITZ, particularly regarding sureties to be issued.

ANDRITZ pursues a risk-averse investment strategy. Cash is largely invested in low-risk financial assets, such as government bonds, government-guaranteed bonds, investment funds to cover pension obligations, loans against borrowers' notes insured by a certificate of deposit, or term deposits. However, turbulences on the international financial markets may lead to unfavorable price developments for various securities in which the Group has invested (for example, money market funds, bonds), or make them non-tradable. This could have an adverse effect on the ANDRITZ GROUP's financial result or shareholders' equity due to necessary depreciation or value adjustments. The crisis has also heightened the risk of default by some issuers of securities, as well as by customers. The Executive Board is informed at regular intervals of the extent and volume of current risk exposure in the ANDRITZ GROUP.

Due to the current sovereign debt crisis in the European Union, there is a risk of complete or partial collapse of the Euro zone and of a possible breakdown of the Euro currency system linked to it. Most likely, this would have a negative effect on the financial, liquidity, and earnings development of the ANDRITZ GROUP.

For further information on the risks for the ANDRITZ GROUP, see the ANDRITZ annual financial report 2011.

Impact of exchange rate fluctuations

Fluctuations in exchange rates in connection with the execution of the order backlog are largely hedged by forward rate contracts.

Information pursuant to Article 87 (4) of the (Austrian) Stock Exchange Act

In the first quarter of 2012, no major business transactions were conducted with related persons and companies.

Important events after March 31, 2012

The status of the global economy and the financial markets did not change substantially in the period between the date of the balance sheet and publication of the present report. The determining factors continue to be the economic weakness as well as the sovereign debt crises in Europe and the USA.

OUTLOOK

Leading economic experts do not expect any substantial change in economic development in the most important regions of the world during the coming months. In Europe in particular, economic activity is expected to remain persistently low as a result of the latent Euro crisis and the related impact on the real economy. A sustainable economic recovery is not expected in the USA either. Satisfactory, but also slower economic growth is only anticipated in the emerging markets of South America and Asia.

In spite of the difficult economic conditions overall, the ANDRITZ GROUP currently sees solid project activity in the markets it serves. Only in the METALS business area, project and investment activities are expected to continue at a moderate level.

On the basis of these expectations and given the very high order backlog of approximately 7 billion EUR as of March 31, 2012, the ANDRITZ GROUP expects an increase in sales in 2012 in comparison with the previous year's figures. The net income is also expected to rise compared to the last year. If, however, the global economy suffers another setback in 2012, this could have a negative impact on the sales and earnings developments of the ANDRITZ GROUP, making it impossible to achieve the sales and earnings targets set.

Disclaimer:

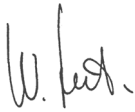
Certain statements contained in this report constitute "forward-looking statements." These statements, which contain the words "believe", "intend", "expect", and words of a similar meaning, reflect the Executive Board's beliefs and expectations and are subject to risks and uncertainties that may cause 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.

DECLARATION PURSUANT TO ARTICLE 87 (1) OF THE (AUSTRIAN) STOCK EXCHANGE ACT

We hereby confirm that, to the best of our knowledge, the condensed interim financial statements of the ANDRITZ GROUP drawn up in compliance with the applicable accounting standards provide a true and fair view of the asset, financial, and earnings positions of the ANDRITZ GROUP, and that the management report provides a true and fair view of the asset, financial, and earnings positions of the ANDRITZ GROUP with regard to the important events of the first three months of the financial year and their impact on the condensed interim financial statements of the ANDRITZ GROUP, and with regard to the major risks and uncertainties during the remaining nine months of the financial year, and also with regard to the major business transactions subject to disclosure and concluded with related persons and companies.

Graz, May 4, 2012

The Executive Board of ANDRITZ AG



Wolfgang Leitner
President and CEO



Karl Hornhofer
PULP & PAPER
(Capital Systems)



Humbert Köfler
PULP & PAPER
(Service & Units),
SEPARATION



Friedrich Papst
METALS,
FEED & BIOFUEL,
HYDRO



Wolfgang Semper
HYDRO

HYDRO

MARKET DEVELOPMENT

Project activity for electromechanical equipment in hydropower plants continued at a high level during the reporting period.

In Europe and the USA, investments remained focused on the modernization and rehabilitation of existing hydropower plants and on pumped storage power stations to stabilize the electric power grid.

In the growth markets (particularly in South America), there are a number of hydropower projects for both modernizations and new power stations currently being implemented or in the project planning phase. The main drivers for this development are the strong economic growth and the related increased electricity demand in these markets.

The market for small-scale power plants also saw extensive project activity worldwide, with focus on Italy, the UK, and Canada, during the reporting period.

Satisfactory project activity in the pumps sector for irrigation, transport of drinking water, and the power plant sector continued. Especially in Asia (above all in India), investment activity was high.

IMPORTANT ORDERS

ANDRITZ HYDRO was awarded an order by the Egyptian Ministries of Energy and Water Supply as part of the new Assiut dam project to supply and install four bulb turbines, generators, the electrical equipment, and the hydromechanical equipment. Reconstruction of this oldest dam on the Egyptian part of the Nile will not only substantially improve conditions for irrigation and shipping, but also lay the foundations for generating energy from sustainable hydropower. The four bulb turbines with a total output of 32 MW will supply around 75,000 households with green energy as from 2017.

From ÇETIN ENERJİ A.S., a subsidiary of the state Norwegian utility Statkraft, the business area received an order to supply the electromechanical equipment for the Çetin hydropower project, Turkey. The project comprises two hydropower stations equipped with three Francis turbine units (total output: approximately 400 MW) and two Kaplan turbine units (total output: about 100 MW). In addition, both power stations are to be fitted with small-scale hydropower units.

As part of a consortium, ANDRITZ HYDRO as consortium leader received the order from Kalehan Enerji Üretim ve Ticaret A.S. to supply and install the electromechanical equipment for Beyhan-1 hydropower station, Turkey. The consortium's scope of supply comprises three turbine generator units, transformers, switchgear, and the entire electrical equipment. In addition, a small-scale hydropower unit will be supplied to generate power from ecological water flows in order to preserve fauna and flora. The Francis turbines (with an output of 186 MW each) to be supplied by the business area are among the largest of their kind ever used in Turkey. Beyhan-1 is the first of four Kalehan Enerji power stations planned on the Murat River in eastern Turkey and a cornerstone of the energy supply in the Turkish growth market.

For Inga 2 power station, DR Congo, the business area will rebuild and repair two 178 MW Francis units. As part of a consortium, ANDRITZ HYDRO is responsible for the entire mechanical part of the rehabilitation work, including the repair and overhaul of the penstocks, the hydraulic steelworks, and the two Francis turbines. In order to achieve high efficiency with optimum performance, high reliability, and low maintenance requirements, all core parts of the turbines, with runner diameters of 6.2 m, will be newly designed and replaced by modern, robust equipment. With the modernization and repair of the two turbines, which have been out of service for many years, the government of DR Congo – drawing on a loan from the World Bank – is taking an important step towards improving the country's national electric grid, which presently suffers frequent outages.

Luz del Sur, one of the largest utility companies in Peru, has commissioned ANDRITZ HYDRO to supply the electromechanical equipment for the new 98.5 MW underground powerhouse. The scope of supply includes design, engineering, manufacturing, delivery, installation work, and commissioning of two Francis turbines as well as the governors, generators, safety devices, and instrumentation. Peru already meets almost 60% of its electricity demand with clean hydroelectric power. ANDRITZ HYDRO has equipped more than half of the hydropower stations in Peru, making its first deliveries back in 1911.

S.C.C., Nigeria, awarded the business area the order to supply and commission nine turbines for the Kashimbila small-scale hydropower station.

For the refurbishment of Umluspen hydropower station, Sweden, ANDRITZ HYDRO will supply two Kaplan turbines and generators on behalf of Vattenfall Umeälven AB.

ANDRITZ HYDRO received an order from ICE, Costa Rica, for the supply and commissioning of two turbine generator units for the Rio Macho hydropower station.

In the pumps sector, the business area's orders include the supply of three vertical volute pumps for a pumping station in India to be used for irrigation in agriculture.

FURTHER IMPORTANT ORDERS AT A GLANCE

Country	Customer	Scope of supply/project description
Austria	Ennskraftwerke AG	Refurbishment of five generators at Schönau hydropower plant
Austria	Verbund Hydropower AG	Rehabilitation of five generators at Mayrhofen hydropower station
Austria	Verbund Hydropower AG	Refurbishment of the Neptun control system for two machines
Brazil	CEEE	Supply and commissioning of the electromechanical equipment for Itauba/Passo Real hydropower plant
Canada	Regional Power	Complete electromechanical equipment, including turbines, generators, and additional equipment, for the Long Lake small-scale hydropower plant
Colombia	Mineros SA	Electromechanical equipment for the Providencia 3 small-scale hydropower station
France	GE France	Supply of 34 turbogenerators
Italy	Hydro Dolomiti Enel S.r.l.	Two vertical Francis turbines for the Predazzo hydropower station
Norway	Statkraft, Trondheim	Electromechanical equipment for the Nedre and Ovre Leirfoss small-scale hydropower plants
Panama	Cobra	Electromechanical equipment for the Barro Blanco small-scale hydropower station
Vietnam	Xuan Thien Ninh Binh Co.	Electromechanical equipment for the Hang Dong A small-scale hydropower plant

PULP & PAPER

MARKET DEVELOPMENT

The international pulp market showed clear signs of recovery in the first quarter of 2012. Following a substantial drop in prices for short-fiber and long-fiber pulp during 2011, the prices for both pulp grades rose in the reporting period. The prices for eucalyptus pulp, in particular, increased significantly during the first quarter of 2012 from around 650 USD/t at the beginning of January to approximately 750 USD/t at the end of March, after the price difference between short and long fiber had reached a record level of almost 200 USD at the end of 2011.

The price increase for short fibers is mainly due to a sharp rise in demand, mainly from Asia (China), while the supply remained stable. However, the price for NBSK (Northern Bleached Softwood Kraft Pulp) only increased slightly from around 830 USD/t in January 2012 to approximately 850 USD/t at the end of March 2012. The low price increase compared to short fiber is mainly due to the unchanged high supply level in Europe and comparatively low demand as a result of paper mill shut downs.

The market for pulping equipment remained solid worldwide in the first quarter of 2012. Some orders were awarded for refurbishment/upgrades of existing plants. In the capital business sector, there was an increase in project activity, with some international pulp and paper producers announcing the award of orders to supply equipment for new pulp mills towards the end of 2012 or at the beginning of 2013.

IMPORTANT EVENTS

ANDRITZ PULP & PAPER completed the conversion of the fiberline at Sun Paper's Yanzhou mill, China, to the production of dissolving pulp.

CMPC Celulosa, Santa Fe, Chile, completed upgrades to the woodyard and fiberline and started up a new lime reburning kiln and recausticizing plant, and a biomass handling system. CMPC's Laja mill started up a new ANDRITZ high dry solids evaporation plant.

Arauco, Chile, started up a new debarking and chipping line at Nueva Aldea and a modernized debarking and chipping line at Arauco.

The business area started a six-year service contract with Fibria's Barra do Riacho mill, Brazil, to provide outsourced maintenance of instrumentation, automation, and electrical systems.

The Hengan Group's mill in Chongqing, China, started up a new PrimeLine tissue machine including stock preparation and automation.

Zhejiang Ji'an Paper Group Co., Ltd., China, started up new recycled fiber processing lines for mixed office waste and for deinking.

Henan International Trade & Tenders Co., Ltd., China, started up a pressurized refining system for the production of MDF board (720 t/d capacity). Another pressurized refining system for MDF (672 t/d) was started up for UNID Co., Ltd., South Korea.

IMPORTANT ORDERS

North Star Pulp Industrial Complex LLC, Russia, ordered new fiberline equipment and a new 4.2 m wide pulp drying line.

Nippon Paper, Japan, selected ANDRITZ to convert an existing continuous digester to produce dissolving pulp.

Mondi Group ordered a new recovery boiler to replace two older existing units at the Mondi Frantschach mill in St. Gertraud, Austria.

MCC Paper Yinhe Co., Ltd. ordered a woodyard, a P-RC APMP mechanical pulping system (reused equipment), and the automation system to increase pulp production at the Linqing, Shandong, China mill.

Vinda Paper ordered stock preparation and approach flow systems for the tissue production from ANDRITZ to be installed at three mills in China.

Norgener S.A., Chile, ordered two dry Flue Gas Desulphurization (FGD) plants for an electric station in Tocopila. AES Gener S.A., Chile, ordered two dry FGD plants. Both orders are EPC contracts.

In the nonwovens sector, Precot Meridian Ltd., India, ordered a complete new nonwovens production line. The unique technology developed by ANDRITZ uses waste from spinning mills to produce cotton pads for cosmetic application.

Pavatex SA, France, ordered a pressurized refiner system for the production of insulation board. The order was received via Siempelkamp.

FURTHER IMPORTANT ORDERS AT A GLANCE

Country	Customer	Scope of supply/project description
Belarus	Gomeldrev via Siempelkamp	MDF chip washing and pressurized refining system
China	Sun Paper Industry Joint Stock Co., Yanzhou	Chip handling equipment for APMP plant
China	Hangzhou Xiaoshan Jixiang	Jetlace Evolution system for spunlace nonwoven production (nonwovens)
China	Zhenghang – Yangzhou Liyou Panel Board Co., Ltd.	MDF pressurized refining system
China	Hubei Qinjiang – Shanghai Wood-Based Panel Machinery Co., Ltd.	MDF pressurized refining system
Finland	Stora Enso, Kemi	LimeCool sector cooler and LimeFire kiln burner
Finland	Metsä Fibre	Digester upgrade
Germany	Smurfit Kappa Hoya	PrimeWinder Arcus Evo winding system
Germany	Steinbeis Papier GmbH	Machine rebuild with PrimeCal ProSoft calendering system
Indonesia	PT. Indah Kiat Pulp & Paper	Winder rebuild
Norway	Borregaard Industries Limited	Pilot pretreatment system for production of biofuels and biochemicals
Russia	Arkhangelskij Pulp and Paper	Pre-engineering for sulfite pulp line
Saudi Arabia	Mada Nonwovens Company	Nexcal twin calendar
Sweden	Lunds Energi AB	External biofuel handling system for a power plant
Sweden	Smurfit Kappa Piteå	New HHQ-Chipper and line upgrade
USA	ZeaChem Inc.	Continuous biomass pretreatment demo system for liquid biofuels
USA	Sappi Fine Paper North America	Modifications to drying plant wet end, cutter, and baling line

SEPARATION

MARKET DEVELOPMENT

Project activity for municipal sludge treatment plants (dewatering and/or drying) developed solidly during the first quarter of 2012. Increasing investment activity was noted for industrial process applications, mainly in the chemical and food industries (focusing on Asia). The demand for industrial drying plants was satisfactory.

IMPORTANT ORDERS

Energy Resources LTD, one of the leading mining companies in Mongolia, ordered eight heavy duty belt presses for a new coal processing plant in the Gobi desert area. The press system will dewater around 200 t coal per hour and save water consumption substantially. In addition, the water will be reused in the processing plant.

Two large filter presses as well as belt and drum thickeners will be supplied for new municipal wastewater treatment plants in the Philippines.

Various customers in Asia and the Middle East ordered centrifuges and filter presses for dewatering of municipal and industrial sludge.

Two hyperbaric filters for the dewatering of ultrafine iron ore concentrate will be delivered to JSW Steel Ltd, India. Due to environmental restrictions, JSW has modified its milling system from dry to wet grinding. Together with another four ANDRITZ units already successful in operation at JSW's Belari plant, the new system will dewater about 1,000 t/h in total.

METALS

MARKET DEVELOPMENT

Worldwide project activity for plants and equipment for the production and processing of strip made of stainless steel, carbon steel, and non-ferrous metal was at a moderate level during the reporting period, thus continuing its development of the preceding quarters. This was mainly due to the continuing over-capacities in steel and stainless steel production and the latent uncertainty about the further development of the global economy in the future. As a result, only selective investment activity was noted worldwide.

IMPORTANT ORDERS

ThyssenKrupp-Nirosta awarded ANDRITZ METALS an order to supply an annealing and pickling line as well as a rolling mill to produce stainless steel strip with a width of up to 1,600 mm for its plant in Krefeld, Germany. In addition to the terminal equipment, scale breaker, and skin pass mill, the scope of supply of the annealing and pickling line also includes the pickle, the degreasing line, the furnace, and the complete electrical equipment, including automation. The plant will process up to 400,000 t of hot-rolled strip and 290,000 t of cold-rolled strip annually. In addition to the mechanical equipment, the scope of supply of the new 20-high rolling mill in the proven four-column design comprises the complete electrical equipment, the automatic flatness measuring and control system, the strip thickness control, and a process optimization system. ANDRITZ expects to book the order in the third quarter of 2012.

For Stahlwerk Ergste Westig GmbH, Germany, the business area will supply a 20-roll precision rolling mill and a recoiling line for thin stainless steel strip. This order underlines the many years of good cooperation with this company – a member of the ZAPP Group – which already has several ANDRITZ rolling mills of different designs operating successfully for strip widths of 380-450 mm.

As consortium leader, ANDRITZ received an order from voestalpine Stahl GmbH to supply the terminal equipment for the continuous strip annealing plant #2 at Linz, Austria. This first plant in Europe for the production of non-grain oriented, high-quality sheet for the electrical industry is designed for an annual production of 250,000 t. The 290 m long line will process magnetic steel sheet with a thickness of 0.2-1.0 mm up to a maximum width of 1,600 mm. The business area also supplied hot galvanizing plants #4 and #5 for the Linz facility.

For Acroni d.o.o. Jesenice, Slovenia, the business area will install a precision leveling machine for steel plate (7.0-40.0 mm) for the production of wear-resistant and high-strength steel grades. ANDRITZ will supply the entire mechanical equipment as well as the electrical equipment. This machine, fitted with an automated flatness measuring system, will be the most efficient of its kind in terms of flatness and residual stress balance.

Böhler Schmiedetechnik, Austria, awarded ANDRITZ the order for supply, installation, and start-up of a continuous operation rotary table furnace to extend its forging capacities. The furnace has several temperature control zones which also guarantee production flexibility and energy efficiency in addition to even temperature.

The business area will supply two new car bottom forging furnaces to Böhler Edelstahl, Austria. The furnaces are fitted with a regenerative heating system that will reduce consumption of natural gas by one quarter.

FURTHER IMPORTANT ORDERS AT A GLANCE

Country	Customer	Scope of supply/project description
Austria	voestalpine Grobblech	Car bottom annealing furnace for steel plate
China	Mind Power	25 flatness measurement systems
Germany	Dirostahl	Chamber forging furnaces with regenerative heating
Germany	Jansen	Two chamber forging furnaces with heat recovery to optimize energy efficiency
Germany	Von Schaewen	Supply, installation, and start-up of a hood-type furnace

FEED & BIOFUEL

MARKET DEVELOPMENT

Investment activity in the animal feed, aquatic feed, and pet food industries was at a satisfactory level during the reporting period, especially in Asia, South America, and Eastern Europe.

The market for pelleting equipment based on wood and other biomass resources showed good project activity, particularly in North America and the emerging markets of South America and Asia.

IMPORTANT ORDERS

In the animal feed sector, the business area received several orders during the first quarter of 2012. In South America, ANDRITZ will supply all production technology for a feed plant with a capacity of 2 x 30 t/h and other high-capacity process lines for a number of poultry industry feed expansion projects.

In the aquatic feed sector, a number of orders for fish feed extrusion lines were secured, mainly in Asia.

Several orders for the delivery of extrusion and drying lines for the production of pet food were secured in Australia and Europe.

In the biomass/wood pelleting sector, the business area received important orders from customers in North America and Australia.

Consolidated financial statements of the ANDRITZ GROUP

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of March 31, 2012 (condensed, unaudited)

<i>(in TEUR)</i>	March 31, 2012	December 31, 2011
ASSETS		
Intangible assets	94,588	77,238
Goodwill	294,373	284,713
Property, plant, and equipment	444,404	433,369
Shares in associated companies	2,775	13,428
Other investments	275,113	235,890
Non-current receivables and other non-current assets	56,375	55,480
Deferred tax assets	109,962	107,180
Non-current assets	1,277,590	1,207,298
Inventories	442,098	411,743
Advance payments made	163,155	141,291
Trade accounts receivable	509,092	581,367
Cost and earnings of projects under construction in excess of billings	314,267	290,490
Other current receivables	317,907	319,366
Marketable securities	406,668	445,159
Cash and cash equivalents	1,084,119	1,169,888
Current assets	3,237,306	3,359,304
TOTAL ASSETS	4,514,896	4,566,602
SHAREHOLDERS' EQUITY AND LIABILITIES		
Share capital	104,000	104,000
Capital reserves	36,476	36,476
Retained earnings	692,177	756,193
Equity attributable to shareholders of the parent	832,653	896,669
Non-controlling interests	47,741	42,204
Total shareholders' equity	880,394	938,873
Bonds – non-current	354,530	357,706
Bank loans and other financial liabilities – non-current	21,393	11,422
Obligations under finance leases – non-current	7,566	7,696
Provisions – non-current	296,431	301,496
Other liabilities – non-current	14,901	14,135
Deferred tax liabilities	82,046	85,155
Non-current liabilities	776,867	777,610
Bank loans and other financial liabilities – current	66,365	58,713
Obligations under finance leases – current	694	757
Trade accounts payable	420,998	438,596
Billings in excess of cost and earnings of projects under construction	1,056,810	1,068,292
Advance payments received	74,403	85,410
Provisions – current	380,247	365,809
Liabilities for current taxes	51,477	46,006
Other liabilities – current	806,641	786,536
Current liabilities	2,857,635	2,850,119
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	4,514,896	4,566,602

CONSOLIDATED INCOME STATEMENT

For the first quarter of 2012 (condensed, unaudited)

<i>(in TEUR)</i>	Q1 2012	Q1 2011
Sales	1,185,657	923,721
Changes in inventories of finished goods and work in progress	28,117	19,587
Capitalized cost of self-constructed assets	68	77
	1,213,842	943,385
Other operating income	17,421	22,986
Cost of materials	-729,397	-532,502
Personnel expenses	-269,597	-235,120
Other operating expenses	-145,761	-130,064
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	86,508	68,685
Depreciation, amortization and impairment of intangible assets and property, plant, and equipment	-19,856	-16,735
Earnings Before Interest and Taxes (EBIT)	66,652	51,950
Income/(expense) from associated companies	-851	658
Interest result	4,296	2,324
Other financial result	46	37
Financial result	3,491	3,019
Earnings Before Taxes (EBT)	70,143	54,969
Income taxes	-19,708	-16,161
NET INCOME	50,435	38,808
Thereof attributable to:		
Shareholders of the parent	50,463	37,011
Non-controlling interests	-28	1,797
Weighted average number of no-par value shares	103,201,556	101,891,974
Earnings per no-par value share (in EUR)	0.49	0.37
Effect of potential dilution of share options	647,263	1,338,282
Weighted average number of no-par value shares and share options	103,848,819	103,230,256
Diluted earnings per no-par value share (in EUR)	0.49	0.36

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the first quarter of 2012 (condensed, unaudited)

<i>(in TEUR)</i>	Q1 2012	Q1 2011
Net income	50,435	38,808
Currency translation adjustments	-4,925	-16,847
Changes to IAS 39 reserve, net of tax	991	-1,343
Other comprehensive income for the year	-3,934	-18,190
Total comprehensive income for the year	46,501	20,618
Thereof attributable to:		
Shareholders of the parent	46,651	19,756
Non-controlling interests	-150	862

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the first quarter of 2012 (condensed, unaudited)

	Attributable to shareholders of the parent						Non- control- ling in- terests	Total share- holders' equity	
	Share capital	Capital reserves	Other retained earnings	IAS 39 reser- ve	Actuarial gains (losses)	Cur- rency trans- lation adjust- ments			Total
<i>(in TEUR)</i>									
Status as of January 1, 2011	104,000	36,476	613,575	1,648	-1,693	2,611	756,617	37,763	794,380
Total comprehensive income for the year			37,011	-1,337		-15,918	19,756	862	20,618
Dividends			-86,857				-86,857	-2,382	-89,239
Capital increase							0	2,489	2,489
Changes concerning own shares			177				177		177
Other changes			635				635		635
STATUS AS OF MARCH 31, 2011	104,000	36,476	564,541	311	-1,693	-13,307	690,328	38,732	729,060
Status as of January 1, 2012	104,000	36,476	774,104	189	-18,751	651	896,669	42,204	938,873
Total comprehensive income for the year			50,463	991	0	-4,803	46,651	-150	46,501
Dividends			-113,551				-113,551	-1,022	-114,573
Changes from acquisitions							0	6,709	6,709
Changes concerning own shares			932				932		932
Other changes			1,952				1,952		1,952
STATUS AS OF MARCH 31, 2012	104,000	36,476	713,900	1,180	-18,751	-4,152	832,653	47,741	880,394

CONSOLIDATED STATEMENT OF CASH FLOWS

For the first quarter of 2012 (condensed, unaudited)

<i>(in TEUR)</i>	Q1 2012	Q1 2011
Cash flow from operating activities	31,202	151,100
Cash flow from investing activities	-37,511	22,243
Cash flow from financing activities	-79,460	-4,320
Change in cash and cash equivalents	-85,769	169,023
Cash and cash equivalents at the beginning of the period	1,169,888	1,187,946
Cash and cash equivalents at the end of the period	1,084,119	1,356,969

CASH FLOWS FROM AQUISITIONS OF SUBSIDIARIES*

For the first quarter of 2012 (condensed, unaudited)

<i>(in TEUR)</i>	Business area		Total	Total
	HY¹⁾	ME²⁾	Q1 2012	Q1 2011
Intangible assets	12,675	11,062	23,737	11,826
Property, plant, and equipment	114	4,176	4,290	474
Inventories	0	32	32	0
Trade and other receivables excluding financial assets	5,372	4,665	10,037	40,208
Liabilities excluding financial liabilities	-5,772	-5,551	-11,323	-43,100
Non-interest bearing net assets	12,389	14,384	26,773	9,408
Cash and cash equivalents acquired	4,258	1,919	6,177	0
Fixed financial assets	0	0	0	1,728
Interest bearing borrowings	-1,605	0	-1,605	0
Goodwill	5,493	4,717	10,210	12,864
Non-controlling interests	-6,709	0	-6,709	0
Total purchase price	13,826	21,020	34,846	24,000
Purchase price paid	-4,025	-18,718	-22,743	0
Cash and cash equivalents acquired	4,258	1,919	6,177	0
Net cash flow	233	-16,799	-16,566	0
Liabilities from purchase price not paid	0	-2,302	-2,302	-24,000
Fair value of investments held prior to acquisition	-9,801	0	-9,801	0
Purchase price not paid in cash	-9,801	-2,302	-12,103	-24,000

* converted by using exchange rates as per dates of transaction

1) HY = HYDRO

2) ME = METALS

NOTES

Explanatory notes to the interim consolidated financial statements as of March 31, 2012

General

The interim consolidated financial statements as of March 31, 2012 were prepared in accordance with the principles set forth in the International Financial Reporting Standards (IFRS) – guidelines for interim reporting (IAS 34) – which are to be applied in the European Union. The accounting and valuation methods as of December 31, 2011 have been maintained without any change. For additional information on the accounting and valuation principles, see the consolidated financial statements as of December 31, 2011, which form the basis for this interim consolidated financial report.

In the first quarter of 2012, there was a minor shift of some products from the SEPARATION business area to the PULP & PAPER business area. Comparison figures for 2011 have been adjusted accordingly in both business areas.

Due to the utilization of automatic calculation programs, differences can arise in the addition of rounded totals and percentages.

The interim consolidated financial statements as of March 31, 2012 were neither subject to a complete audit nor to an audit review by an auditor.

Application of new standards

ANDRITZ applies the following revised standards:

- Amendments to IAS 12: Deferred Tax – Recovery of Underlying Assets
- Amendments to IFRS 7: Financial Instruments, Disclosures – Transfer of Financial Assets

The amendments do not have a material impact on the interim consolidated financial statements.

Changes in consolidated companies

The following companies were not, or only partially, included in the ANDRITZ GROUP's consolidated financial statements of the reference period January 1-March 31, 2011:

- Hemicycle Controls: automation systems for hydropower stations
- ANDRITZ Iggesund Group: chipping and debarking equipment for pulp and saw mills
- Assets of Tristar Industries: service and manufacturing center for the PULP & PAPER service area
- ANDRITZ Asselin-Thibeau: systems for the production of dry nonwovens (especially for applications in the textile and hygiene sectors)
- Bricmont Inc.: furnace systems for the aluminum and steel industries
- ANDRITZ HYDRO Hammerfest: technologies for energy generation from tidal currents occurring in coastal waters

The initial accounting for the companies/businesses acquired in 2011/2012 was based on preliminary figures.

Seasonality

As a rule, the business of the ANDRITZ GROUP is not characterized by any seasonality.

Notes to the interim consolidated income statement

Sales of the ANDRITZ GROUP amounted to 1,185.7 MEUR during the first quarter of 2012, thus increasing by 28.4% compared to the first quarter of 2011 (923.7 MEUR). EBIT amounted to 66.7 MEUR (Q1 2011: 52.0 MEUR).

Notes to the consolidated statement of financial position

Total assets of the ANDRITZ GROUP as of March 31, 2012 amounted to 4,514.9 MEUR (December 31, 2011: 4,566.6 MEUR). The net working capital as of end of the first quarter of 2012 amounted to -622.3 MEUR (December 31, 2011: -639.2 MEUR).

During the current business year, ANDRITZ AG paid dividends in the amount of 113.6 MEUR for the 2011 business year. No shares were bought back during the first quarter of 2012.

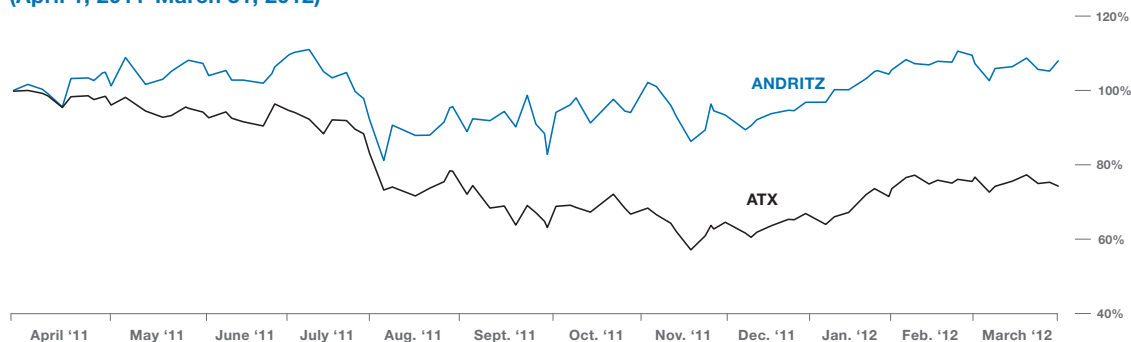
Notes to the consolidated statement of cash flows

Cash flow from operating activities of the ANDRITZ GROUP amounted to 31.2 MEUR in the first quarter of 2012 (Q1 2011: 151.1 MEUR). This decline was mainly due to changes in project-related advance and progress payments.

Cash flow from investing activities during the first quarter of 2012 amounted to -37.5 MEUR (Q1 2011: 22.2 MEUR). The change resulted mainly from acquisitions (-16.6 MEUR in Q1 2012 vs. 0 MEUR in Q1 2011) and investments in tangible and intangible assets of -19.5 MEUR (Q1 2011: -10.3 MEUR).

SHARE

Relative share price performance of the ANDRITZ share compared to the ATX (April 1, 2011-March 31, 2012)



Source: Vienna Stock Exchange

Note

On April 23, 2012, the ANDRITZ share was split in a ratio of 1:2. All share price data and key figures were adjusted accordingly.

Share price development

The ANDRITZ share price increased by 11.8% during the first quarter of 2012, thus practically in line with the ATX, the leading share index on the Vienna Stock Exchange, which rose by 11.2% during the same period.

The highest closing price during the reporting period was 37.60 EUR (February 24, 2012); the lowest closing price was 32.83 EUR (January 2, 2012).

Trading volume

The average daily trading volume of the ANDRITZ share (double count, as published by the Vienna Stock Exchange) was 317,839 shares in the first quarter of 2012 (Q1 2011: 590,262 shares). The highest daily trading volume was noted on March 16, 2012 (715,532 shares); the lowest trading volume on March 12, 2012 (119,968 shares).

Annual General Meeting

The 105th Annual General Meeting of ANDRITZ AG on March 22, 2012 agreed to a dividend payment of 1.10 EUR per share for the 2011 business year (2010: 0.85 EUR per share).

The Annual General Meeting also agreed to split the shares in a ratio of 1:2, whereby the number of shares increased to 104,000,000 and the proportionate amount of the capital stock will be 1.00 EUR per no-par value share in the future. The corresponding adjustment of the share price at the Vienna Stock Exchange took place on April 23, 2012.

Christian Nowotny, who has been a member of the ANDRITZ AG Supervisory Board since 1999, was reappointed to the Supervisory Board of ANDRITZ AG.

Investor Relations

In the first quarter of 2012, ANDRITZ gave presentations at international investor conferences and meetings with institutional investors and financial analysts in Boston, Denver, Frankfurt, London, Madrid, Milan, New York, Paris, Salt Lake City, San Francisco, Seattle, Tokyo, and Zurich.

Key figures of the ANDRITZ share

	<i>Unit</i>	Q1 2012	Q1 2011	2011
Highest closing price	<i>EUR</i>	37.60	35.12	37.75
Lowest closing price	<i>EUR</i>	32.83	29.81	27.41
Closing price (as of end of period)	<i>EUR</i>	36.69	32.90	32.05
Market capitalization (as of end of period)	<i>MEUR</i>	3,815.8	3,421.1	3,333.2
Performance	%	+11.8	-5.2	-7.6
ATX weighting (as of end of period)	%	9.2847	6.4967	9,2705
Average daily number of shares traded	<i>Share unit</i>	317,839	590,262	568,138

Source: Vienna Stock Exchange

Basic data of the ANDRITZ share

ISIN code	AT0000730007
First listing day	June 25, 2001
Types of shares	No-par value shares, bearer shares
Total number of shares	104 million
Authorized capital	None
Free float	About 70%
Stock exchange	Vienna (Prime Market)
Ticker symbols	Reuters: ANDR.VI; Bloomberg: ANDR, AV
Stock exchange indices	ATX, ATX five, ATXPrime, WBI

Financial calendar 2012 and 2013 (preliminary)

Results first half of 2012	August 7, 2012
Results first three quarters of 2012	November 6, 2012
Results 2012 business year	March 1, 2013
Annual General Meeting	March 22, 2013
Ex-dividend	March 26, 2013
Dividend payment	March 28, 2013
Results first quarter of 2013	May 6, 2013
Results first half of 2013	August 7, 2013
Results first three quarters of 2013	November 6, 2013

The financial calendar with updates, as well as information on the ANDRITZ share, can be found on the Investor Relations page at the ANDRITZ website: www.andritz.com/share

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