



PRESS RELEASE

ANDRITZ continues stable development in first half of 2024

GRAZ, JULY 25, 2024. International technology group ANDRITZ showed a largely stable business development in the first half of 2024 against the backdrop of a continuously challenging economic environment.

Compared to the previous year's reference period, revenue decreased slightly, while profitability (EBITA margin) showed a slight increase, and net income remained stable. Order intake dropped considerably from the high level of the first half of 2023 due to the continued absence of major capital investments by customers in the pulp & paper and metals industries. Order intake for services and green products continued to grow.

Growth trend in green products

The Environment & Energy business area showed significant growth in both revenue and order intake compared to the reference period of last year.

In the Pulp & Paper business area, ANDRITZ received a large order for lignin recovery at a pulp mill of the Swedish Södra Group. Lignin will be used as a renewable resource to replace fossil-based materials in the chemical industry and serve as a basis for new biofuels. Lignin recovery plants are part of ANDRITZ's CircleToZero solutions for the utilization of production side streams, supporting the circular economy and creating new business opportunities for customers.

Innovative order highlights in the second quarter have again been awarded by Finnish Metsä Group. They included a process study for the integration of carbon capture into a bioproduct mill and a pre-study for the first commercial mill to produce a new type of man-made cellulosic fiber.

Complementary acquisition

In June 2024, ANDRITZ acquired Procemex, a leading global supplier of web monitoring and web inspection solutions for the pulp and paper industry. The integration of Procemex strengthens ANDRITZ's digitalization portfolio and its ability to help pulp and paper mills further automate their operations and increase efficiency.

ANDRITZ CEO Joachim Schönbeck commented: *"In view of the challenging economic environment, we are satisfied with our business development in the first half of the year. Thanks to the growth in service business and green products, combined with solid order execution, we were able to maintain our net income at last year's level and slightly increased our profitability."*





Guidance confirmed

In the current economic environment, ANDRITZ does not expect a quick recovery of the markets. However, project activity has picked up in several markets. Based on the order backlog, the growing demand for green products, and the growth of the service business, ANDRITZ confirms its outlook for the financial year 2024 and expects stable revenue and profitability (EBITA margin).

Due to the continued decline in order intake, a focus is being placed on increasing cost efficiency, and selective capacity adjustments have been initiated.

The key financial figures developed as follows during the reporting period:

- **Order intake** in the second quarter of 2024 decreased to 1,895.1 MEUR (-17.3% vs. Q2 2023: 2,292.3 MEUR), and in the first half of 2024 to 3,845.4 MEUR (-18.4% vs. H1 2023: 4,712.5 MEUR). This decrease is mainly due to the absence of large capital orders in Pulp & Paper and Metals. Pulp & Paper achieved a slight increase in order intake in Q2 2024 compared to Q2 2023. Environment & Energy was able to increase its order intake significantly (+38% vs. H1 2023). In the Hydropower business area, the previous year's reference period was marked by the booking of a major order for a hydropower plant in Laos.
- The **order backlog** as of June 30, 2024 amounted to 9,709.1 MEUR, decreasing by 1.7% compared to the end of 2023 (9,872.6 MEUR).
- **Revenue** in the second quarter of 2024 decreased by 2.2% compared to the previous year's reference period (Q2 2023: 2,146.4 MEUR), reaching 2,100.2 MEUR. In H1 2024, revenue amounted to 3,986.6 MEUR (-3.0% vs. H1 2023: 4,109.0 MEUR). Environment & Energy achieved a significant increase in revenue, while the other business areas showed a stable or slightly declining development.
- The **operating result (EBITA)** in the second quarter of 2024 increased to 180.6 MEUR (+3.7% versus Q2 2023: 174.1 MEUR). Profitability (EBITA margin) amounted to 8.6% (Q2 2023: 8.1%). In the first half of 2024, EBITA increased slightly and reached a level of 333.0 MEUR (+0.1% vs. H1 2023: 332.6 MEUR). The EBITA margin remained at a very solid level of 8.4% (H1 2023: 8.2%).
- The **net income** (including non-controlling interests) remained stable: in the second quarter of 2024 it amounted to 119.7 MEUR (+0.6% vs. Q2 2023: 119.0 MEUR), in the first half of 2024 to 223.8 MEUR (+1.0% vs. H1 2023: 221.5 MEUR).



Key financial figures at a glance

	Unit	H1 2024	H1 2023	+/-	Q2 2024	Q2 2023	+/-	2023
Revenue	MEUR	3,986.6	4,109.0	-3.0%	2,100.2	2,146.4	-2.2%	8,660.0
Pulp & Paper	MEUR	1,738.0	1,909.2	-9.0%	905.7	1,021.9	-11.4%	3,987.4
Metals	MEUR	894.0	892.2	+0.2%	454.5	470.4	-3.4%	1,839.6
Hydropower	MEUR	663.7	710.5	-6.6%	361.4	354.9	+1.8%	1,521.7
Environment & Energy	MEUR	690.9	597.1	+15.7%	378.6	299.2	+26.5%	1,311.3
Order intake	MEUR	3,845.4	4,712.5	-18.4%	1,895.1	2,292.3	-17.3%	8,551.9
Pulp & Paper	MEUR	1,485.3	1,789.0	-17.0%	842.8	820.6	+2.7%	3,036.0
Metals	MEUR	670.1	1,177.0	-43.1%	321.0	507.7	-36.8%	1,997.7
Hydropower	MEUR	781.7	1,086.6	-28.1%	284.1	657.3	-56.8%	2,020.9
Environment & Energy	MEUR	908.3	659.9	+37.6%	447.2	306.7	+45.8%	1,497.3
Order backlog (as of end of period)	MEUR	9,709.1	10,569.0	-8.1%	9,709.1	10,569.0	-8.1%	9,872.6
EBITDA	MEUR	423.4	415.3	+2.0%	229.4	214.9	+6.7%	910.2
EBITDA margin	%	10.6	10.1	-	10.9	10.0	-	10.5
EBITA	MEUR	333.0	332.6	+0.1%	180.6	174.1	+3.7%	741.9
EBITA margin	%	8.4	8.1	-	8.6	8.1	-	8.6
Comparable EBITA	MEUR	328.6	335.3	-2.0%	175.1	175.0	+0.1%	757.1
Comparable EBITA margin	%	8.2	8.2	-	8.3	8.2	-	8.7
Earnings Before Interest and Taxes (EBIT)	MEUR	309.2	308.5	+0.2%	169.3	162.5	+4.2%	685.2
Financial result	MEUR	-8.6	-6.8	-26.5%	-8.4	1.5	-660.0%	3.0
Earnings Before Taxes (EBT)	MEUR	300.6	301.7	-0.4%	160.9	164.0	-1.9%	688.2
Net income (including non- controlling interests)	MEUR	223.8	221.5	+1.0%	119.7	119.0	+0.6%	504.3
Cash flow from operating activities	MEUR	308.5	-79.3	n.a.	23.2	-47.9	n.a.	375.0
Capital expenditure	MEUR	107.0	93.3	+14.7%	67.3	44.9	+49.9%	226.2
Employees (as of end of period; without apprentices)	-	30,115	29,927	+0.6%	30,115	29,927	+0.6%	29,717

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

MEUR = million euros. EUR = euros.



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FOR FURTHER INFORMATION, PLEASE CONTACT:

Niklas Jelinek

External Communications Lead / Media Relations

press@andritz.com

[andritz.com](https://www.andritz.com)

Matthias Pfeifenberger

Head of Investor Relations

investors@andritz.com

[andritz.com](https://www.andritz.com)

ANDRITZ GROUP

International technology group ANDRITZ offers a broad portfolio of innovative plants, equipment, systems, services and digital solutions for a wide range of industries and end markets.

Sustainability is an integral part of the company's business strategy and corporate culture. With its extensive portfolio of sustainable products and solutions, ANDRITZ aims to make the greatest possible contribution to a sustainable future and help its customers achieve their sustainability goals. ANDRITZ is a global market leader in all four of its business areas – Pulp & Paper, Metals, Hydropower and Environment & Energy. Technological leadership and global presence are cornerstones of the group's strategy, which is focused on long-term profitable growth. The publicly listed group has around 30,000 employees and over 280 locations in more than 80 countries.

ANNUAL AND FINANCIAL REPORTS

The annual and financial reports are available for download on the ANDRITZ web site at [andritz.com](https://www.andritz.com).

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