INTERIM FINANCIAL REPORT Q1–Q3 2023

Q1–Q3

ANDRITZ

ENGINEERED SUCCESS

Key financial figures at a glance

Management report

Consolidated financial statements of the ANDRITZ GROUP

KEY FINANCIAL FIGURES OF THE ANDRITZ GROUP

	Unit	Q1-Q3 2023	Q1-Q3 2022	+/-	Q3 2023	Q3 2022	+/-	2022
Order intake	MEUR	6,516.0	7,451.0	-12.5%	1,803.5	2,683.4	-32.8%	9,263.4
Order backlog (as of end of period)	MEUR	10,361.2	10,822.2	-4.3%	10,361.2	10,822.2	-4.3%	9,976.5
Revenue	MEUR	6,213.1	5,207.8	+19.3%	2,104.1	1,890.8	+11.3%	7,542.9
EBITDA	MEUR	632.8	557.1	+13.6%	217.5	194.9	+11.6%	825.5
EBITA[1)]	MEUR	509.0	425.8	+19.5%	176.4	152.6	+15.6%	648.5
EBITA margin	%	8.2	8.2	-	8.4	8.1	-	8.6
Earnings Before Interest and Taxes (EBIT)	MEUR	472.7	377.7	+25.2%	164.2	136.2	+20.6%	572.7
Earnings Before Taxes (EBT)	MEUR	470.9	357.1	+31.9%	169.2	134.0	+26.3%	540.9
Net income (including non-controlling interests)	MEUR	346.1	262.3	+31.9%	124.6	98.4	+26.6%	402.6
Net income (without non-controlling interests)	MEUR	351.6	268.0	+31.2%	124.8	100.8	+23.8%	409.6
Cash flow from operating activities	MEUR	74.9	442.6	n.a.	154.2	29.4	n.a.	710.8
Capital expenditure	MEUR	157.7	119.9	+31.5%	64.4	39.4	+63.5%	184.4
Employees (as of end of period; without apprentices)	-	29,819	27,925	+6.8%	29,819	27,925	+6.8%	29,094
Total assets	MEUR	8,407.2	8,487.9	-1.0%	8,407.2	8,487.9	-1.0%	8,491.8
Equity ratio	%	23.7	21.7	-	23.7	21.7	-	21.6
Liquid funds	MEUR	1,613.5	1,941.3	-16.9%	1,613.5	1,941.3	-16.9%	2,051.1
Net liquidity	MEUR	732.9	881.9	-16.9%	732.9	881.9	-16.9%	983.0
Net working capital	MEUR	107.7	-321.9	n.a.	107.7	-321.9	n.a.	-324.4

1) Amortization of identifiable assets acquired in a business combination and recognized separately from goodwill amounts to 36.3 MEUR (Q1-Q3 2022: 48.1 MEUR; 2022: 65.6 MEUR); impairment of goodwill amounts to 0.0 MEUR (Q1-Q3 2022: 0.0 MEUR; 2022: 10.2 MEUR).

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.

KEY FINANCIAL FIGURES OF THE BUSINESS AREAS

Pulp & Paper

	Unit	Q1-Q3 2023	Q1-Q3 2022	+/-	Q3 2023	Q3 2022	+/-	2022
Order intake	MEUR	2,451.3	3,560.8	-31.2%	615.3	1,529.2	-59.8%	4,296.4
Order backlog (as of end of period)	MEUR	3,746.7	4,594.9	-18.5%	3,746.7	4,594.9	-18.5%	4,207.8
Revenue	MEUR	2,935.9	2,411.0	+21.8%	985.7	868.5	+13.5%	3,513.8
EBITDA	MEUR	352.6	312.0	+13.0%	121.7	111.8	+8.9%	462.1
EBITDA margin	%	12.0	12.9	-	12.3	12.9	-	13.2
EBITA	MEUR	292.5	243.9	+19.9%	101.7	90.6	+12.3%	378.9
EBITA margin	%	10.0	10.1	-	10.3	10.4	-	10.8
Employees (as of end of period; without apprentices)	-	13,683	12,462	+9.8%	13,683	12,462	+9.8%	13,525

Metals

	Unit	Q1-Q3 2023	Q1-Q3 2022	+/-	Q3 2023	Q3 2022	+/-	2022
Order intake	MEUR	1,745.1	1,554.8	+12.2%	568.1	564.1	+0.7%	2,008.6
Order backlog (as of end of period)	MEUR	2,327.8	2,052.6	+13.4%	2,327.8	2,052.6	+13.4%	1,938.1
Revenue	MEUR	1,348.3	1,133.8	+18.9%	456.1	399.8	+14.1%	1,621.2
EBITDA	MEUR	89.6	68.6	+30.6%	29.2	18.6	+57.0%	100.9
EBITDA margin	%	6.6	6.1	-	6.4	4.7	-	6.2
EBITA	MEUR	62.8	40.9	+53.5%	20.3	9.3	+118.3%	62.3
EBITA margin	%	4.7	3.6	-	4.5	2.3	-	3.8
Employees (as of end of period; without apprentices)	-	6,208	5,934	+4.6%	6,208	5,934	+4.6%	6,085

Hydro

	Unit	Q1-Q3 2023	Q1-Q3 2022	+/-	Q3 2023	Q3 2022	+/-	2022
Order intake	MEUR	1,410.4	1,409.7	+0.0%	323.8	304.0	+6.5%	1,720.5
Order backlog (as of end of period)	MEUR	3,288.5	3,169.8	+3.7%	3,288.5	3,169.8	+3.7%	2,878.4
Revenue	MEUR	1,073.4	890.7	+20.5%	362.9	343.3	+5.7%	1,313.0
EBITDA	MEUR	73.0	67.8	+7.7%	24.3	27.1	-10.3%	107.7
EBITDA margin	%	6.8	7.6	-	6.7	7.9	-	8.2
EBITA	MEUR	53.2	46.9	+13.4%	17.9	20.2	-11.4%	72.3
EBITA margin	%	5.0	5.3	-	4.9	5.9	-	5.5
Employees (as of end of period; without apprentices)	-	5,930	6,172	-3.9%	5,930	6,172	-3.9%	6,102

Separation

	Unit	Q1-Q3 2023	Q1-Q3 2022	+/-	Q3 2023	Q3 2022	+/-	2022
Order intake	MEUR	909.2	925.7	-1.8%	296.3	286.1	+3.6%	1,237.9
Order backlog (as of end of period)	MEUR	998.2	1,004.9	-0.7%	998.2	1,004.9	-0.7%	952.2
Revenue	MEUR	855.5	772.3	+10.8%	299.4	279.2	+7.2%	1,094.9
EBITDA	MEUR	117.6	108.7	+8.2%	42.3	37.4	+13.1%	154.8
EBITDA margin	%	13.7	14.1	-	14.1	13.4	-	14.1
EBITA	MEUR	100.5	94.1	+6.8%	36.5	32.5	+12.3%	135.0
EBITA margin	%	11.7	12.2	-	12.2	11.6	-	12.3
Employees (as of end of period; without apprentices)	-	3,998	3,357	+19.1%	3,998	3,357	+19.1%	3,382

The Pumps business (previously reported in the Hydro business area) and some products of the Pulp & Paper business area that are mainly supplied to customers outside the pulp & paper industry are reported in the Separation business area as of January 1, 2023. The reference figures of the previous year have been adjusted to match the new reporting structure.

MANAGEMENT REPORT

GENERAL ECONOMIC CONDITIONS

The economy in the main regions continued to develop moderately in the third quarter of 2023. The restrictive monetary policy of central banks and the associated increases in interest rates to combat inflation, which remains too high, as well as increasing geopolitical disputes had a negative impact on the global economy.

In Europe, economic growth continued to weaken in the reporting period. Persistently high inflation and higher interest rates hinder a recovery of the economy. Inflation in the Euro zone declined significantly during the reporting period, from 5.5% in July to 4.3% in September, mainly due to falling energy prices and easing inflationary pressure on food and industrial goods. However, the European Central Bank (ECB) raised its key interest rate in the Euro zone for the tenth consecutive time to a new record high of 4.5%. Against the background of the ECB's goal of reducing inflation to the medium-term target of 2.0% in the near future, a continued restrictive monetary and interest rate policy can be assumed.

In the USA, economic growth remained moderate during the reporting period. Consumer spending, which accounts for approximately 70% of gross domestic product and is a key driver of the U.S. economy, again failed to provide any significant impetus to the economic recovery during the reporting period. Demand for capital goods in the industrial and infrastructure sectors developed positively. This was supported by subsidies under the Inflation Reduction Act. As a result, the labor market therefore remained robust. The unemployment rate was at a level of about 3.7%. With inflation easing somewhat, the U.S. Federal Reserve (FED) kept its key interest rate in a range of 5.25% to 5.5% for the time being in the reporting period, the highest level in more than 20 years. The FED has raised the key interest rate several times since March 2022 to combat high inflation, most recently by 0.25 percentage points in July. The FED signaled that it did not intend to raise interest rates further for the time being due to its success in fighting inflation.

China's economy continued to stabilize during the reporting period, growing by 4.9%. Both industrial production and the improvement in private consumption contributed to the recovery. However, the weak real estate sector weighed on China's economy during the reporting period. China's central bank cut its key interest rate again in the reporting period to support an economic recovery.

Source: Research reports by various banks, OECD

BUSINESS DEVELOPMENT

Order intake

The order intake of the Group in the third quarter of 2023 at 1,803.5 MEUR was 32.8% below the high level of the previous year's reference period (Q3 2022: 2,683.4 MEUR). Although the business areas Metals, Hydro, and Separation were each able to increase their order intake compared to the previous year's reference period, this could not offset the significant decline in the Pulp & Paper business area.

The business areas' development in detail:

- Pulp & Paper: Order intake amounted to 615.3 MEUR and was thus 59.8% below the previous year's reference figure (Q3 2022: 1,529.2 MEUR), which included the receipt of a large order to supply a new pulp mill in Asia.

- Metals: At 568.1 MEUR the order intake slightly increased by 0.7% compared to the previous year's reference figure (Q3 2022: 564.1 MEUR). The significant increase in order intake in the Metals Processing sector compared to the previous year's reference period is primarily due to the receipt of an order to supply one of the largest green hydrogen production plants. Order intake in the Metals Forming sector (Schuler) declined slightly, because several larger press line orders were awarded in the comparison period.

- Hydro: At 323.8 MEUR, order intake once again reached a very favorable level and increased by 6.5% compared to the previous year's reference period (Q3 2022: 304.0 MEUR). This was partly due to the receipt of an order to modernize an existing hydropower plant in Brazil.

- Separation: Order intake amounted to 296.3 MEUR and increased by 3.6% compared to the previous year's reference period (Q3 2022: 286.1 MEUR). While the solid/liquid separation and the feed & biofuel sectors reached solid levels, the Pumps sector declined in the reporting period.

In the first three quarters of 2023, the Group's order intake of 6,516.0 MEUR was lower than in the previous year's reference period (-12.5% versus Q1-Q3 2022: 7,451.0 MEUR). The Metals business area increased its order intake significantly compared to the previous year. Order intake in the Hydro and Separation business areas was in line with the previous year's reference period. The order intake of the Pulp & Paper business area declined significantly compared to the previous year.

Business areas in detail:

	Unit	Q1-Q3 2023	Q1-Q3 2022	+/-
Pulp & Paper	MEUR	2,451.3	3,560.8	-31.2%
Metals	MEUR	1,745.1	1,554.8	+12.2%
Hydro	MEUR	1,410.4	1,409.7	+0.0%
Separation	MEUR	909.2	925.7	-1.8%

Revenue

The revenue of the ANDRITZ GROUP amounted to 2,104.1 MEUR in the third quarter of 2023 and was thus higher than the figure for previous year's reference period (11.3% versus Q3 2022: 1,890.8 MEUR). All four business areas were able to significantly increase their revenue compared to the previous year.

The Group's revenue in the first three quarters of 2023 amounted to 6,213.1 MEUR and was thus 19.3% above the level of the previous year's reference figure (Q1-Q3 2022: 5,207.8 MEUR).

The business areas' revenue development at a glance:

	Unit	Q1-Q3 2023	Q1-Q3 2022	+/-
Pulp & Paper	MEUR	2,935.9	2,411.0	+21.8%
Metals	MEUR	1,348.3	1,133.8	+18.9%
Hydro	MEUR	1,073.4	890.7	+20.5%
Separation	MEUR	855.5	772.3	+10.8%

Share of service revenue for the Group and by business area in %

	Q1-Q3 2023	Q1-Q3 2022	Q3 2023	Q3 2022
ANDRITZ GROUP	39	40	39	40
Pulp & Paper	42	46	43	46
Metals	24	25	25	26
Hydro	38	39	37	39
Separation	51	47	51	45

Order backlog

The ANDRITZ GROUP's order backlog as of September 30, 2023 amounted to 10,361.2 MEUR (+3.9% versus December 31, 2022: 9,976.5 MEUR). The Hydro and Metals business areas recorded a significant increase in order backlog compared to December 31, 2022. While the order backlog in the Separation business area increased slightly, the order backlog in the Pulp & Paper business area decreased as a result of the scheduled execution of large orders contained in the backlog.

Earnings

Due to the positive revenue development, the operating result (EBITA) of the Group, at 176.4 MEUR, reached a very favorable level in the third quarter of 2023, and thus increased by 15.6% compared to the previous year's reference period (Q3 2022: 152.6 MEUR). Profitability increased to 8.4% (Q3 2022: 8.1%).

Development of profitability by business area:

- In the Pulp & Paper business area, profitability amounted to 10.3% and thus remained at a very favorable level (Q3 2022: 10.4%).
- The Metals business area continued its positive profitability trend – the EBITA-Margin significantly increased to 4.5% (Q3 2022: 2.3%). The Metals Forming (Schuler) sector as well as the Metals Processing sector, both recorded positive profitability development.
- Profitability in the Hydro business area reached 4.9% (Q3 2022: 5.9%). The decline is mainly attributable to the processing of some lower-margin orders as well as cost overruns on individual projects.
- In the Separation business area, profitability remained at a very favorable level of 12.2% (Q3 2022: 11.6%).

The group's EBITA developed very favorably in the first three quarters of 2023 and amounted to 509.0 MEUR. It was thus significantly above the previous year's reference figure (+19.5% versus Q1-Q3 2022: 425.8 MEUR). Profitability amounted to 8.2% and thus remained at the level of the previous year's reference figure (Q1-Q3 2022: 8.2%).

The financial result significantly improved in the first three quarters of 2023 to -1.8 MEUR (Q1-Q3 2022: -20.6 MEUR). This was mainly due to an increase in net-interest result, as the very positive interest rate environment allowed cash and cash equivalents to be invested at better interest rates.

Net income (including non-controlling interests) increased significantly to 346.1 MEUR (+31.9% versus Q1-Q3 2022: 262.3 MEUR), whereof 351.6 MEUR (Q1-Q3 2022: 268.0 MEUR) is attributable to the shareholders of the parent company and -5.5 MEUR (Q1-Q3 2022: -5.7 MEUR) to non-controlling interests.

Asset and capital structure

Total assets amounted to 8,407.2 MEUR as of September 30, 2023 (December 31, 2022: 8,491.8 MEUR). The equity ratio increased to 23.7% (December 31, 2022: 21.6%).

Liquid funds as of September 30, 2023 decreased to 1,613.5 MEUR (as of end of 2022: 2,051.1 MEUR), this is mainly due to the dividend payment and the increase in working capital in the course of order execution. Net liquidity decreased to 732.9 MEUR (as of end of 2022: 983.0 MEUR).

In addition to the reported liquidity, the ANDRITZ GROUP also had the following credit and surety lines for performance of contracts, down payments, guarantees, and so on, at its disposal as of September 30, 2023:

- Credit lines: 277 MEUR, thereof 149 MEUR utilized
- Surety lines: 6,483 MEUR, thereof 3,382 MEUR utilized

Major risks during the remaining months of the financial year

The ongoing war in Ukraine led to significant price increases and price volatility for energy and many raw materials and industrial semi-finished products, resulting in a significant rise in inflation in many countries. In view of the persistently high inflation rate, the central banks of many industrialized countries raised their key interest rates significantly and at a historically rapid pace. Rapid interest rate hikes carry the risk of a global recession and have a negative impact on global economic growth. If prices for raw materials, energy, sub-supplies, and consequently inflation, increase again, this could have a negative impact on order intake and on the financial development of the ANDRITZ GROUP.

In view of the significant increases in key interest rates by central banks as a result of high inflation, banks and their borrowers are currently under increased pressure. The risk of a possible default (insolvency) of one or more banks is minimized at ANDRITZ by an internal investment limit system. However, insolvencies in the banking sector could have a negative impact on the financial development of the ANDRITZ GROUP.

Increasing geopolitical conflicts, in particular the war in Israel, could again have a negative impact on the availability of raw material and supply chains. This could lead to delays in the processing of orders on the one hand and further price increases for many raw materials and industrial semi-finished products on the other.

In addition to the current risks, there are numerous other risks that could have a negative effect on economic development if they materialize. These include the tightening of trade barriers between economically important states and increasing domestic instability in various countries. The high national debt of many countries also poses a risk in the medium to long term.

A detailed description of the strategic and operational risks as well as information on the internal control and risk management system are available in the ANDRITZ Annual Financial Report for 2022.

OUTLOOK

Economic experts expect global economic growth to slow down in 2023. The restrictive monetary policy of central banks as a result of higher inflation had a negative impact on the global economy. High interest rates tend to reduce investments because the profitability of projects deteriorates, and financing becomes more difficult. In Europe, in particular, economic growth is expected to slow down. The US, on the other hand, is an important pillar of the global economy. Economists are forecasting moderate economic growth in the US, as the economy has proved sufficiently robust so far and the negative effects of the interest rate hike have been offset by the positive effects of various stimulus measures under the so-called Inflation Reduction Act.

Furthermore, economists expect a slight economic recovery for China's economy as a result of the enactment of various stimulus programs.

High interest rates and the weakened economy will also have an impact on the project and investment decisions of ANDRITZ's customers. In particular, the awarding of contracts for large plants could be delayed to some extent. However, partial compensation is expected from higher order intake in the area of so-called green products, i.e. products and equipment that help reduce CO_2 emissions from our customers' plants or contribute to sustainable energy generation. ANDRITZ expects demand for services to remain stable.

For the full year 2023, ANDRITZ confirms the financial guidance published on the occasion of the publication of the results for the first half of 2023 and, from today's perspective, expects a significant increase in revenue and earnings with stable profitability (EBITA margin) compared to the previous year.

In the Outlook section, the macroeconomic conditions prevailing at the present time have been taken into account. If, for example, the new geopolitical conflicts lead to a significantly greater weakening of the global economy, this could have negative impact on order intake and, to a limited extent, on sales and financial performance in the current year. Due to a lower order intake, capacity adjustments may become necessary in the medium term, for which financial provisions would have to be made and which could have a negative impact on the ANDRITZ GROUP's earnings.

CONSOLIDATED INCOME STATEMENT

FOR THE FIRST THREE QUARTERS OF 2023 (UNAUDITED)

(in MEUR)	Q1-Q3 2023	Q1-Q3 2022	Q3 2023	Q3 2022
Revenue	**6,213.1**	**5,207.8**	**2,104.1**	**1,890.8**
Changes in inventories of finished goods and work in progress	66.8	148.8	2.6	41.7
Other own work capitalized	3.5	1.0	1.1	0.3
Other income	77.7	97.2	26.8	24.1
Cost of materials	-3,392.6	-2,818.1	-1,172.7	-1,054.1
Personnel expenses	-1,601.0	-1,441.2	-519.5	-484.2
Other expenses	-734.7	-638.4	-224.9	-223.7
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)	**632.8**	**557.1**	**217.5**	**194.9**
Depreciation, amortization, and impairment of property, plant, and equipment and intangible assets	-160.1	-179.4	-53.3	-58.7
Earnings Before Interest and Taxes (EBIT)	**472.7**	**377.7**	**164.2**	**136.2**
Result from investments accounted for using the equity method	1.9	0.6	0.7	-0.1
Interest income	51.5	25.0	21.1	10.1
Interest expense	-35.5	-26.6	-11.7	-8.2
Other financial result	-19.7	-19.6	-5.1	-4.0
Financial result	**-1.8**	**-20.6**	**5.0**	**-2.2**
Earnings Before Taxes (EBT)	**470.9**	**357.1**	**169.2**	**134.0**
Income taxes	-124.8	-94.8	-44.6	-35.6
NET INCOME	**346.1**	**262.3**	**124.6**	**98.4**
Net income attributable to owners of the parent	351.6	268.0	124.8	100.8
Net income allocated to non-controlling interests	-5.5	-5.7	-0.2	-2.4
Basic earnings per no-par value share (in EUR)	3.55	2.71	1.26	1.02
Diluted earnings per no-par value share (in EUR)	3.53	2.70	1.25	1.01

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE FIRST THREE QUARTERS OF 2023 (CONDENSED, UNAUDITED)

(in MEUR)	Q1-Q3 2023	Q1-Q3 2022	Q3 2023	Q3 2022
NET INCOME	**346.1**	**262.3**	**124.6**	**98.4**
Remeasurement of defined benefit plans	-0.6	146.9	-3.6	79.5
Changes in the fair value of equity instruments measured at fair value through other comprehensive income	-0.2	-0.7	0.1	-1.1
Other comprehensive income (after income taxes) that will not be reclassified to the income statement in subsequent periods	**-0.8**	**146.2**	**-3.5**	**78.4**
Currency translation of foreign operations	3.6	105.0	11.8	33.2
Cash flow hedges	5.6	-61.1	-9.0	-40.0
Other comprehensive income (after income taxes) which can be reclassified to the income statement in subsequent periods	**9.2**	**43.9**	**2.8**	**-6.8**
OTHER COMPREHENSIVE INCOME (AFTER INCOME TAXES)	**8.4**	**190.1**	**-0.7**	**71.6**
TOTAL COMPREHENSIVE INCOME	**354.5**	**452.4**	**123.9**	**170.0**
Total comprehensive income attributable to owners of the parent	360.3	458.1	125.8	172.8
Total comprehensive income allocated to non-controlling interests	-5.8	-5.7	-1.9	-2.8

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF SEPTEMBER 30, 2023 (UNAUDITED)

(in MEUR)	September 30, 2023	December 31, 2022
ASSETS		
Property, plant, and equipment	1,238.9	1,213.8
Goodwill	799.6	787.0
Intangible assets other than goodwill	131.0	160.1
Investments accounted for using the equity method	15.6	13.7
Investments and other financial assets	75.4	71.9
Other receivables and assets	74.8	85.0
Deferred tax assets	235.5	239.7
Non-current assets	**2,570.8**	**2,571.2**
Inventories	1,245.0	1,135.5
Advance payments made	261.3	219.9
Trade accounts receivable	953.5	1,065.1
Contract assets	1,335.8	1,047.5
Current tax assets	40.1	36.6
Investments	442.3	728.9
Cash and cash equivalents	1,151.0	1,302.0
Other receivables and assets	402.4	380.1
Current assets other than assets held for sale	**5,831.4**	**5,915.6**
Assets held for sale	5.0	5.0
Current assets	**5,836.4**	**5,920.6**
TOTAL ASSETS	**8,407.2**	**8,491.8**

EQUITY AND LIABILITIES		
Share capital	104.0	104.0
Capital reserves	36.5	36.5
Retained earnings and other reserves	1,875.4	1,708.1
Equity attributable to owners of the parent	**2,015.9**	**1,848.6**
Non-controlling interests	-19.7	-13.9
Total equity	**1,996.2**	**1,834.7**
Bank loans and other financial liabilities	511.2	827.5
Lease liabilities	179.8	162.6
Provisions for employee benefits	314.7	312.4
Provisions	197.8	185.4
Other liabilities	36.1	28.6
Deferred tax liabilities	112.3	121.3
Non-current liabilities	**1,351.9**	**1,637.8**
Bank loans and other financial liabilities	408.7	253.4
Lease liabilities	43.2	44.8
Trade accounts payable	950.2	983.0
Contract liabilities from sales recognized over time	1,573.2	1,547.5
Contract liabilities from sales recognized at a point in time	386.0	400.5
Provisions for employee benefits	18.5	15.4
Provisions	424.6	445.1
Current tax liabilities	90.2	105.8
Other liabilities	1,164.5	1,223.8
Current liabilities	**5,059.1**	**5,019.3**
TOTAL EQUITY AND LIABILITIES	**8,407.2**	**8,491.8**

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE FIRST THREE QUARTERS OF 2023 (UNAUDITED)

(in MEUR)	Q1-Q3 2023	Q1-Q3 2022
Net income	**346.1**	**262.3**
Income taxes	124.8	94.8
Interest result	-16.0	1.6
Depreciation, amortization, and impairment of intangible assets, goodwill as well as property, plant, and equipment	160.1	179.4
Result from investments accounted for using the equity method	-1.9	-0.6
Gains/losses from disposal of fixed and financial assets	-6.5	-20.4
Other non-cash income/expenses	62.8	49.0
Change in net working capital	-398.9	93.3
Changes in provisions and other assets and liabilities	-64.4	-79.2
Interest received	46.1	21.5
Interest paid	-28.7	-22.0
Dividends received	0.6	0.7
Income taxes paid	-149.2	-137.8
CASH FLOW FROM OPERATING ACTIVITIES	**74.9**	**442.6**
Payments made for property, plant, and equipment and intangible assets	-108.3	-100.9
Payments received for disposals of property, plant, and equipment and intangible assets	10.4	25.9
Payments made for non-current and current financial assets	-221.9	-613.3
Payments received for disposal of non-current and current financial assets	499.9	565.0
Net cash flow from company acquisitions	-6.6	-25.1
CASH FLOW FROM INVESTING ACTIVITIES	**173.5**	**-148.4**
Payments received from bank loans and other financial liabilities	58.2	11.3
Payments made for bank loans and other financial liabilities	-218.7	-94.5
Payments made for the the redemption of lease liabilities	-32.3	-40.0
Dividends paid	-207.7	-163.8
Purchase of non-controlling interests and payments to former shareholders	0.0	-0.1
Proceeds from re-issuance of treasury shares	6.4	0.0
Purchase of treasury shares	0.0	-16.0
CASH FLOW FROM FINANCING ACTIVITIES	**-394.1**	**-303.1**
CHANGES IN CASH AND CASH EQUIVALENTS	**-145.7**	**-8.9**
Currency translation adjustments	-5.3	64.2
Cash and cash equivalents at the beginning of the period	1,302.0	1,087.0
Cash and cash equivalents at the end of the period	1,151.0	1,142.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FIRST THREE QUARTERS OF 2023 (UNAUDITED)

	Attributable to owners of the parent								Non-controlling interests	Total equity
(in MEUR)	Share capital	Capital reserves	Retained earnings	Fair value reserve	Reserve of remeasurements of defined benefit plans	Reserve of exchange differences on translation	Treasury shares	Total		
BALANCE AS OF JANUARY 1, 2022	**104.0**	**36.5**	**1,792.5**	**0.4**	**-67.1**	**-103.5**	**-188.2**	**1,574.6**	**-7.3**	**1,567.3**
Net income			268.0					268.0	-5.7	262.3
Other comprehensive income				-61.8	146.9	105.0		190.1		190.1
Total comprehensive income			**268.0**	**-61.8**	**146.9**	**105.0**		**458.1**	**-5.7**	**452.4**
Dividends			-163.1					-163.1	-0.7	-163.8
Change in treasury shares			-0.2				-13.8	-14.0		-14.0
Change from share option programs			-2.9					-2.9		-2.9
Transfers and other changes			-0.6		0.8	-0.3		-0.1		-0.1
BALANCE AS OF SEPTEMBER 30, 2022	**104.0**	**36.5**	**1,893.7**	**-61.4**	**80.6**	**1.2**	**-202.0**	**1,852.6**	**-13.7**	**1,838.9**
BALANCE AS OF JANUARY 1, 2023	**104.0**	**36.5**	**2,040.0**	**0.2**	**-40.0**	**-90.2**	**-201.9**	**1,848.6**	**-13.9**	**1,834.7**
Net income			351.6					351.6	-5.5	346.1
Other comprehensive income				5.4	-0.6	3.9		8.7	-0.3	8.4
Total comprehensive income			**351.6**	**5.4**	**-0.6**	**3.9**		**360.3**	**-5.8**	**354.5**
Dividends			-207.7					-207.7		-207.7
Change in treasury shares			-1.2				9.5	8.3		8.3
Change from share option programs			2.4					2.4		2.4
Hyperinflation			3.9					3.9		3.9
Transfers and other changes			0.6			-0.5		0.1		0.1
BALANCE AS OF SEPTEMBER 30, 2023	**104.0**	**36.5**	**2,189.6**	**5.6**	**-40.6**	**-86.8**	**-192.4**	**2,015.9**	**-19.7**	**1,996.2**

Contact and publisher's note

ANDRITZ AG
Stattegger Strasse 18
8045 Graz, Austria
investors@andritz.com
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