



Annealing and pickling line for cold-rolled strip supplied by Andritz to E-United Group, Taiwan, for LISCO's stainless steel mill in China. In 2006, this customer placed two further major orders for annealing and pickling lines.

## New Andritz Managing Board Members for Pulp and Paper

Humbert Köfler, Karl Hornhofer



Andritz acquires VA TECH HYDRO, thus becoming one of the world's leading suppliers of electro-mechanical equipment for hydropower plants. Photo: Freudenau power station for which VA TECH HYDRO supplied major components.

Photo: Verbund

# HIGHLIGHTS 2006

## Important acquisitions, new management team in Pulp and Paper

### Important strategic acquisitions

#### VA TECH HYDRO, Pilão, and Küsters

At the end of May 2006, Andritz successfully closes the acquisition of **VA TECH HYDRO**, a globally leading supplier of electromechanical equipment for hydropower stations with a worldwide presence. It ideally complements Andritz's product portfolio for hydropower equipment.

In April, Andritz purchases **Pilão S.A.**, a specialist in low-consistency refining headquartered in São Paulo, Brazil. Pilão strengthens the Group's presence in South America and profits from Andritz's global organization and sales network.

Having purchased a 60% stake in the Paper and Nonwoven Business Areas of **Küsters** in 2005, Andritz acquires the remaining 40% in June 2006. Küsters, based in Krefeld, Germany is one of the world's leading suppliers of roll and calendaring technologies for the paper, nonwoven, and textile industries.

### Major orders from renowned customers worldwide

#### Two 100 MEUR orders in the Pulp and Paper Business Area

Sappi Saiccor (Pty.) Ltd., the world's largest manufacturer of viscose pulp, places a 100 MEUR order for the supply of the bleaching, evaporation, and pulp drying equipment for its Saiccor mill in Umkomaas, near Durban, South Africa. This investment aims to increase mill capacity from 600,000 to 800,000 t/y of bleached viscose pulp.

Hunan Tiger Forest & Paper Group Co. Ltd., Changsha, Hunan Province, China awards a 100 MEUR contract to supply the main equipment and technologies for its greenfield pulp mill in Huaihua. The new mill will produce 400,000 t/y of bleached kraft pulp.

#### Major orders from E-United Group for stainless steel mills

Taiwanese E-United Group orders two process lines, one hot-rolled strip annealing and pickling line for LISCO's stainless steel mill in China and one cold-rolled strip annealing and pickling line for YUSCO's stainless steel mill in Taiwan. In 2003, this customer had ordered one of the world's largest annealing and pickling lines for hot-rolled strip, and in 2004, an annealing and pickling line for cold-rolled strip. Both lines are successfully in operation.

#### Largest European sewage sludge drying plant for Athens

In the Environment and Process Business Area, Andritz receives an order to supply a drum drying system for the sewage treatment plant of the City of Athens. Being designed for the treatment of approximately 385,000 tons of sewage sludge per year, the plant will provide the largest sewage sludge drying capacity in all of Europe.

### Order for the world's most powerful turbines

The state-owned enterprise EDELCA, Venezuela signed a contract with VA TECH HYDRO-led Consortium EUROBRAS for the supply of five large Francis turbines at the Second Powerhouse of the Simon Bolivar power plant in Guri on the Caroni River. With an output of 770 MW per unit, the turbines of Guri 2 belong to the most powerful in the world. Each single Francis runner will have a finished weight of almost 200 tons.

### New Andritz Managing Board Members for Pulp and Paper

In October 2006, the Supervisory Board of Andritz AG approves changes in the Managing Board of Andritz AG. Bernhard Rebernik and Markku Hänninen will resign as Board Members and will be succeeded by Humbert Köfler and Karl Hornhofer.

Bernhard Rebernik will retire upon reaching age 65, and Markku Hänninen will, upon expiration of his mandate, become a Member of the Supervisory Board of the Finnish subsidiary, Andritz Oy. Karl Hornhofer and Humbert Köfler have served as Andritz Divisional Managers for many years and are appointed as new Members of the Andritz AG Managing Board from January and April 2007, respectively. Karl Hornhofer will be responsible for the Capital Equipment segment, and Humbert Köfler will head the Service segment. ■