

Ad hoc Announcement

10/05/06

Results for financial 2005/06 – year ended March 31, 2006

AT&S revenues up 13%, EBIT up 24%, with 6% increase in profit for the year

AT&S AG, Vienna, Austria, May 10, 2006

In the financial year ended March 31, 2006, AT&S posted a 13% increase in revenues to EUR 375m. Fourth quarter revenues were up 16% to EUR 96.2m.

Gross profit for the year increased to EUR 61.5m (up 12%), and EBIT reached EUR 26.3m, 23% up year-on-year. This gives an EBIT margin for the year of 7%.

Fourth quarter gross profit was some EUR 13.9m (up 2%) and EBIT for the period was EUR 4.9m (up 109%).

Profit before tax for the year was EUR 20.8m, with the fourth quarter contributing EUR 4.0m.

Net income for the year climbed to EUR 28.3m (up 6%). Earnings per share were EUR 1.09. Fourth quarter net income was EUR 8.2m (up 289%), with earnings per share of EUR 0.31.

AT&S's tax rate was effectively negative, with available tax credits at financial year end equivalent to 36.5%.

An increase in the dividend payment to EUR 0.29 will be recommended to the Annual General Meeting on July 4, 2006.

Outlook and further information

The PCB market is characterized by the twin effects of growth of the mobile telephone industry and increased demand from Europe, particularly in industrial and automotive markets. In response to this growth, AT&S will be ramping up production at the second Shanghai facility in August as scheduled. Management forecasts revenues of about EUR 455m for 2006/07, which represents an increase of just over 20%. Profit for 2006/07 is expected to exceed the previous year's level only marginally: the cost of expansion in China and Korea will fall into the first half of the year, and the marked improvement in earnings will therefore only be felt in the second half. Management expects the low single-digit EBIT margin in the first half to increase significantly in the second half thanks to positive contributions from the second Shanghai plant and Tofic in

Korea. An EBIT margin of 9–10% is a realistic target for the second half.

Information and notes on this ad hoc announcement from the Company

Results in accordance with IFRS (in EUR m, earnings per share in EUR):

Financial 2005/06

	FY 05/06	Margin	FY 04/05	Margin
Total revenues	374.7		332.4	
Gross profit	61.5	16.4%	54.8	16.5%
EBITDA	67.0	17.9%	66.2	19.9%
EBIT	26.3	7.0%	21.3	6.4%
Net profit for the period	28.3		26.7	
Earnings per share	1.09		1.07	
Net debt	34.7		24.9	
Gearing ratio	13.9%		11.3%	

Fourth quarter 2005/06

	Q4 05/06	Margin	Q4 04/05	Margin
Total revenues	96.2		83.2	
Gross profit	13.9	14.5 %	13.7	16.5%
EBITDA	14.9	15.5 %	13.0	15.7%
EBIT	4.9	5.1 %	2.3	2.8%
Net profit for the period	8.2		2.1	
Earnings per share	0.31		0.12	

Notes to the results for financial 2005/06

Highest revenues in the Group's history driven by strong market growth

Contrary to expectations at the start of the financial year, the mobile telephones market, which contributed 65% of AT&S's revenues, has grown significantly. The trend towards more complex circuit boards continues, as mobile telephones feature ever more functions. As a result, AT&S ran at full capacity for the entire financial year. High profitability was only slightly dented by non-recurring items in the third quarter and the investment required in the fourth quarter to accelerate the build-up of production capacity. In the last quarter special shifts were also necessary to relieve a bottleneck resulting from the product mix, meaning that staff costs

were higher than normal. The ramp-up of the second Shanghai facility will resolve this problem.

In 2005/06 some 68.5% of revenues were accounted for by the telecommunications sector (with 65% contributed by handheld products), about 20.5% by the industrial/medical sector and the remaining 11% by the automotive sector. AT&S supplied a total of six hundred customers in 2005/06, of which the ten largest accounted for the bulk of the revenues (75%).

First successes in the Japanese market

In addition to key HDI market accounts, the acquisition of Sony as a new customer in 2005/06 gives AT&S another foothold in the Japanese market. These cooperative projects are expected to lead to the first serious revenues in 2006/07. Management also expects significant orders from other Japanese customers.

Net tax credits for 2005/06

As predicted in the third quarter, AT&S's tax rate for the financial year was effectively negative, with available tax credits increasing significantly to 36% in the fourth quarter following a necessary release of tax reserves. AT&S is forecasting that in 2006/07 there will be net tax liabilities once again, with an effective tax rate for the Group of about 10%.

Share repurchase scheme

As announced on April 20, 2006, AT&S will resume its share repurchase program with effect from May 15, 2006 and repurchase up to 641,820 of its own shares. To date, a total of 2.1 million own shares have been cancelled (as at May 3, 2006), increasing the free float to about 57% and reducing the number of shares to 25.9 million. These measures are part of a longer-term strategy aimed at optimizing AT&S's balance sheet structure. AT&S will finance future organic growth projects, which are forecast to generate revenue increases of at least 20% annually over the next two years, from cash flow or external borrowings.

The results and the Excel format annual report (not including notes) for 2005/06 were posted today at 8am (CET) on www.ats.net (Investors). The annual report will be available in .pdf format from early June.

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