

# Ad hoc Announcement

## 28/07/05

### Results for the first quarter of 2005/06 to 30 June 2005

AT&S increased turnover by 15% and EBIT by 39%

AT&S AG, Vienna, Austria, 28 July 2005

AT&S achieved a turnover of EUR 89.9 million in the first quarter of 2005/06. This is an increase of 15% compared to the figures of the previous year. The gross profit was 46% above that of the previous year and came in at EUR 17.0 million.

The first quarter EBIT rose by 39% to EUR 8.8 million. The EBIT margin therefore reached 9.8% compared to only 8.2% in the first quarter of the previous year.

Profit before taxes amounted to EUR 5.6 million. Year-on-year this is a drop of 22% due to losses from hedging transactions and therefore a depressed financial income.

The net income of the first quarter reached EUR 6.4 million due to a positive tax contribution. This corresponds to a decrease of 15% whereupon it should be pointed out that in the first quarter of the previous financial year, an also positive one-time effect of EUR 1.5 million was achieved from the reform of the corporation tax in Austria (release of provisions from deferred taxes).

The earnings per share (EPS) amounted EUR 0.25 for the first quarter of 2005/06.

At the end of the first quarter, the AT&S net debt amounted to EUR 8.1 million (EUR 33.4 million a year ago). The net gearing therefore came in at 3.5% by the due date of 30 June 2005 (16.0% a year ago).

On 28 July 2005, AT&S took over ECAD Ltd., an Indian company resident in Bangalore specialising in printed circuit board design, with a workforce of 70, 53 of whom are engineers. The turnover of ECAD was USD 1.21 million in the last fiscal year. The company's EBIT margin was 11.8%. With its profitable business model, ECAD is providing a vital boost for AT&S in circuit board design, a sector of the future, and is helping to extend the value-added chain and client portfolio. AT&S holds by today 86.7% of the company.

This outstanding first quarter of 2005/6 also provides a very positive outlook for the whole year. The current forecast of around 10% growth in turnover and of earnings per share of EUR 1 will have to be adjusted upwards from what we can see today if the environment continues to be good and the US Dollar stable.

Turnover will grow by at least 10% and earnings per share (EPS) will amount to EUR 1.20 as no more hedging losses will be accumulated if the Dollar remains constant.

### Information and notes from the issuer on today's ad-hoc statement:

Results acc. to IFRS (in EUR million, earnings/share in EUR):

|                | Q1 05/06 | Margin | Q1 04/05 | Margin |
|----------------|----------|--------|----------|--------|
| Total revenue  | 89.9     |        | 77.9     |        |
| Gross profit   | 17.0     | 18.9%  | 11.6     | 14.9%  |
| EBITDA         | 19.4     | 21.6%  | 16.8     | 21.5%  |
| EBIT           | 8.8      | 9.8%   | 6.3      | 8.2%   |
| Net income     | 6.4      |        | 7.5      |        |
| Earnings/share | 0.25     |        | 0.29     |        |
| Net debt       | 8.1      |        | 33.4     |        |
| Net gearing    | 3.5%     |        | 16.0%    |        |

### Explanations about the results of the first quarter of 2004/05

#### Good loading, profitable product mix and US Dollar bring AT&S a record quarter

Turnover, profit margin and EBIT were obviously positively influenced in the last quarter by a very good work load at all plants on the one hand, by a profitable product mix on the other hand and finally by a stronger US Dollar. The downside of the stronger US Dollar, which is positive for operations, is a loss in the currency hedging. The pre-tax profits are below those of the same quarter of the previous year due to this effect. A positive tax contribution based on the high profits in China with concurrent tax exemption and the hedging losses incurred in Austria has led to a period surplus of EUR 6.4 million.

#### Acquisition of ECAD Ltd.

The acquisition of ECAD Ltd. is part of the AT&S strategy of internationalisation and stronger customer orientation. For ECAD, which has an EBIT margin of just under 12%, this is not just about a profitable business model; new capacities in the design sector mean that AT&S are also able to present customers without their own design capacities through this extra service. Last but not least, by buying ECAD, AT&S will be able to approach new customers and also further promote the embedding technologies sector.

#### Impact of the revaluation of the Yuan on AT&S?

The decision taken in the week beginning 18 July 2005 to revalue the Yuan against the US Dollar, or rather the termination of the exclusive bond of the Chinese currency with the US Dollar, will

doubtless have positive effects in the medium and long-term for AT&S since the competitiveness of European sites will increase as they face up to competition from China. Since the AT&S factory in Shanghai is in any case producing under the same framework conditions as Chinese competitors, there will be no disadvantage to that effect. It remains to be seen how the US Dollar behaves towards the other Asian currencies after the Yuan is uncoupled.

The results and the quarterly statement for the first quarter of 2005/06 will be displayed in Excel (excl. explanatory notes) from 8 am today (CET) at [www.ats.net](http://www.ats.net) (Investors). The quarterly report will be available as a pdf document from the beginning of August 2005.

Further information can be obtained from  
René Berger, IRO, Tel. +43-1-68300-9215,  
e-mail: [r.berger@ats.net](mailto:r.berger@ats.net)