

A woman in a red jacket and black pants is captured mid-air, jumping high above a city street. The background features a dense urban skyline with various skyscrapers under a dramatic, cloudy sky at sunset or sunrise. The overall mood is one of energy and forward momentum.

AT&S

STRONG
FOR
tomorrow

**FIRST CHOICE
FOR ADVANCED
APPLICATIONS.**

Conference Call – FY 2019/20

May 14, 2020

Global market development

- Global trade frictions have eased, but are still creating some uncertainties in the market
- Economic environment further dampened by situation around COVID-19
 - Covid-19 outbreak effected global logistics as well as production chains
- Uncertain consumer behavior causes low visibility especially in Mobile devices
- Growth in data drives the need for processor modules and therefore high-end IC substrates
- Although increase in electronic content partly compensates for lower units sales difficult market situation in the automotive sector is expected to continue until 2021
- European industrial investment behaviour on low level
- Medical market so far resilient and supported by health systems

AT&S development in FY 2019/20

Satisfying operating performance despite challenging environment

- Excellent crisis management helped to mitigate impact on revenue
- Lower volume and unfavourable product mix in Mobile Devices segment
- Strong trend at IC substrates business
- Automotive segment with almost stable performance despite difficult market situation
- Reduced volume in the Industrial segment
- Weaker market environment in the Industrial and Automotive segment causes temporary higher price pressure
- Medical & Healthcare continued positive trend

Financials in FY 2019/20

Revenue exceeds the one-billion-euro mark again

- Revenue at € 1,000.6 million (PY: € 1,028.0 million)
- EBITDA at € 194.5 million (PY: € 250.1 million)
- EBIT at € 47.4 million (PY: € 117.2 million)
- Operating free cash flow at € -33.4 million (PY: € 69.7 million)
- Earnings per share down to € 0.34; dividend of € 0.25 proposed

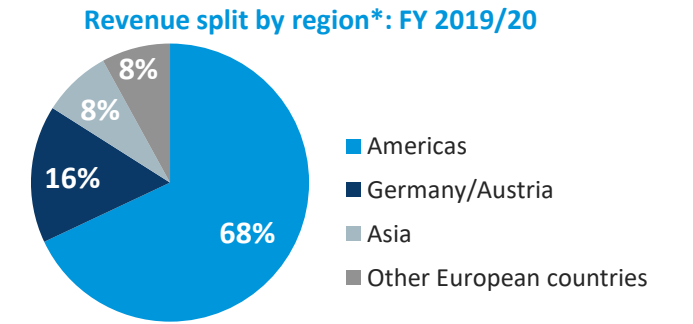
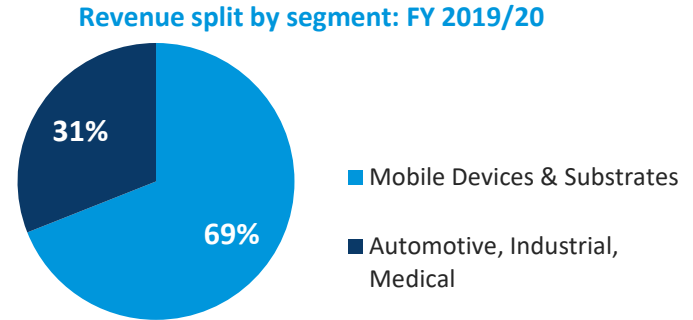
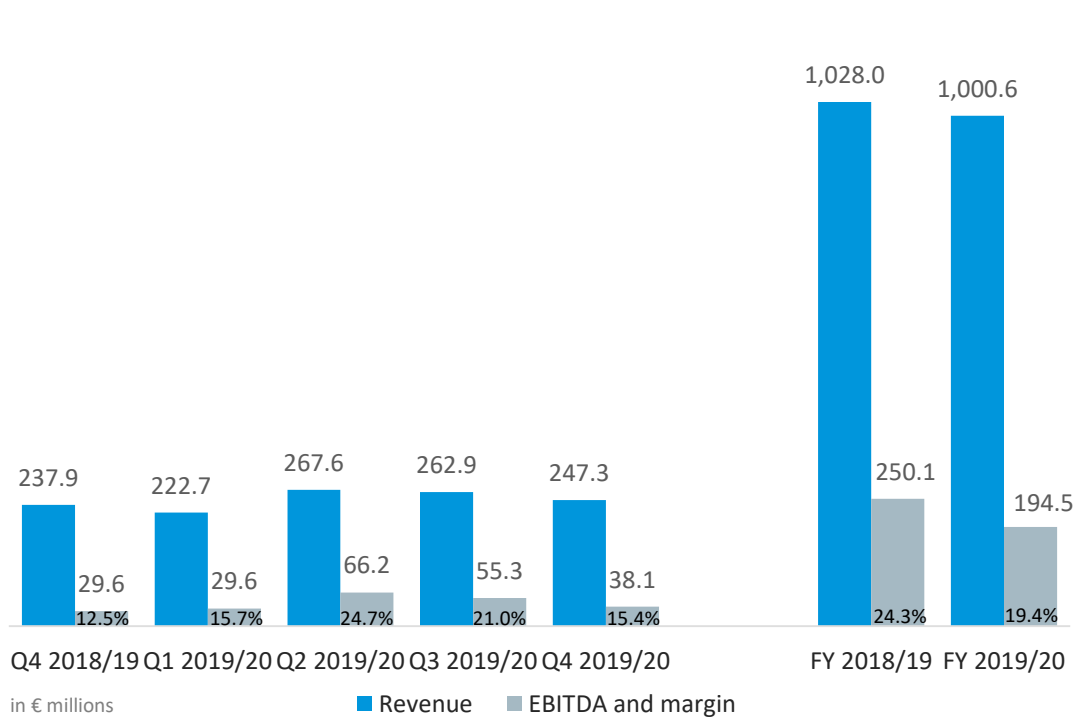
COVID-19 – Status quo

Worldwide extensive measures are effective

- Extensive measures in place to protect our people
- Experience from China was helpful in the group-wide implementation – no diagnosed cases
- Productions are in operations
 - All sites in China have been manufacturing since mid-February
 - India produces medical components despite governmental restrictions
 - Other locations in Austria and Korea are in operations
- No shortages in the supply chain
 - Increase in safety stocks
 - Supply chain managed very well

has

Revenue and EBITDA development



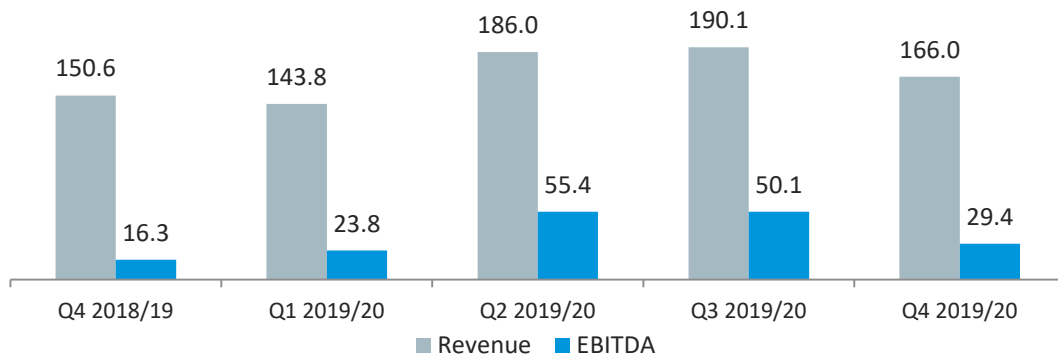
*based on customer's headquarters

Business development – Mobile Devices & Substrates

€ in millions (unless otherwise indicated)	FY 2018/19	FY 2019/20	Change in %
Revenue	776.0	778.5	+0.3%
Revenue with external customers	683.9	685.9	+0.3%
EBITDA	193.5	158.6	-18.1%
EBITDA margin	24.9%	20.4%	

- Sales increase in IC substrates partly compensates for unfavourable mix and volume effects in Mobile Device and impact of COVID-19 pandemic
- Market-related volume reduction caused underutilization in Mobile Devices
- Revenue and earnings positively impacted by FX effects

Revenue* and EBITDA



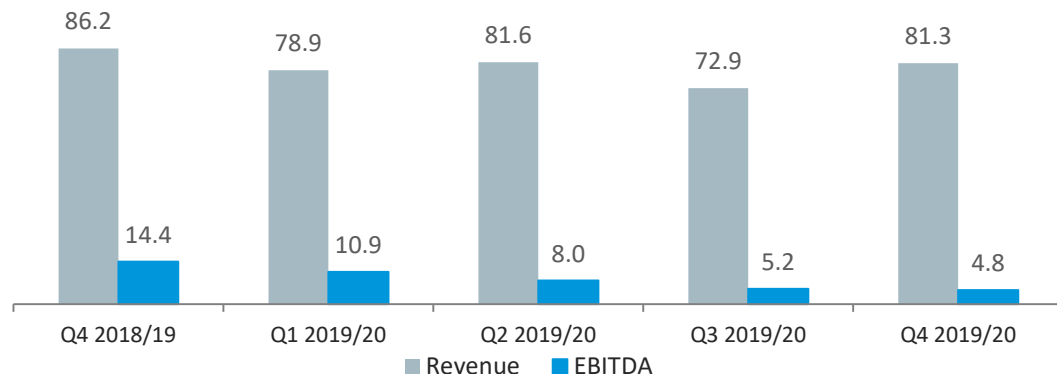
In € millions; * Revenue with external customers

Business development – Automotive, Industrial, Medical

€ in millions (unless otherwise indicated)	FY 2018/19	FY 2019/20	Change in %
Revenue	365.2	350.4	-4.0%
Revenue with external customers	338.9	314.7	-7.1%
EBITDA	52.6	28.9	-45.1%
EBITDA margin	14.4%	8.2%	

- Medical & Healthcare continued robust trend
- Automotive segment with almost stable performance despite difficult market situation
- Reduced volume in the Industrial segment
- Weaker market environment in the Automotive and Industrial segments causes temporary higher price pressure and underutilization

Revenue* and EBITDA



In € millions; * Revenue with external customers

Financials FY 2019/20

STATEMENT OF PROFIT OR LOSS

€ in thousands	01 Apr 2018 – 31 Mar 2019	01 Apr 2019 – 31 Mar 2020	Change YoY	
Revenue	1,027,983	1,000,577	(2.7%)	➔ Revenue still above € 1 billion lower volume out of market situation, positive FX effects
EBITDA	250,098	194,529	(22.2%)	➔ Unfavourable product mix and temporary underutilization in Mobile Devices, Automotive and Industrial higher R&D costs for future applications
EBITDA margin	24.3%	19.4%	(4.9pp)	
EBIT	117,210	47,402	(59.6%)	➔ Higher depreciation due to growing fixed asset base and first-time application of IFRS 16
EBIT margin	11.4%	4.7%	(6.7pp)	
Finance costs – net	(2,018)	(6,465)	(>100%)	➔ Higher negative FX-effects
Profit/(loss) for the year	89,027	21,456	(75.9%)	
Earnings per share	€ 2.08	€ 0.34	(83.7%)	

Financials FY 2019/20

STATEMENT OF FINANCIAL POSITION

€ in thousands	31 Mar 2019	31 Mar 2020	Change YoY	
Equity	803,451	760,259	(5.4%)	➔ Positive profit for the year and negative FX effects, dividend and hybrid coupon payout
Total assets	1,784,106	1,853,510	3.9%	➔ Higher property plant and equipment
Net debt	150,258	246,747	64.2%	➔ Due to higher financial liabilities
Net working capital	160,537	144,418	(10.0%)	➔ Lower trade receivables and higher trade payables
Equity ratio	45.0%	41.0%	(4.0pp)	➔ Effect out of lower equity and higher total assets

Financials FY 2019/20

STATEMENT OF CASH FLOWS

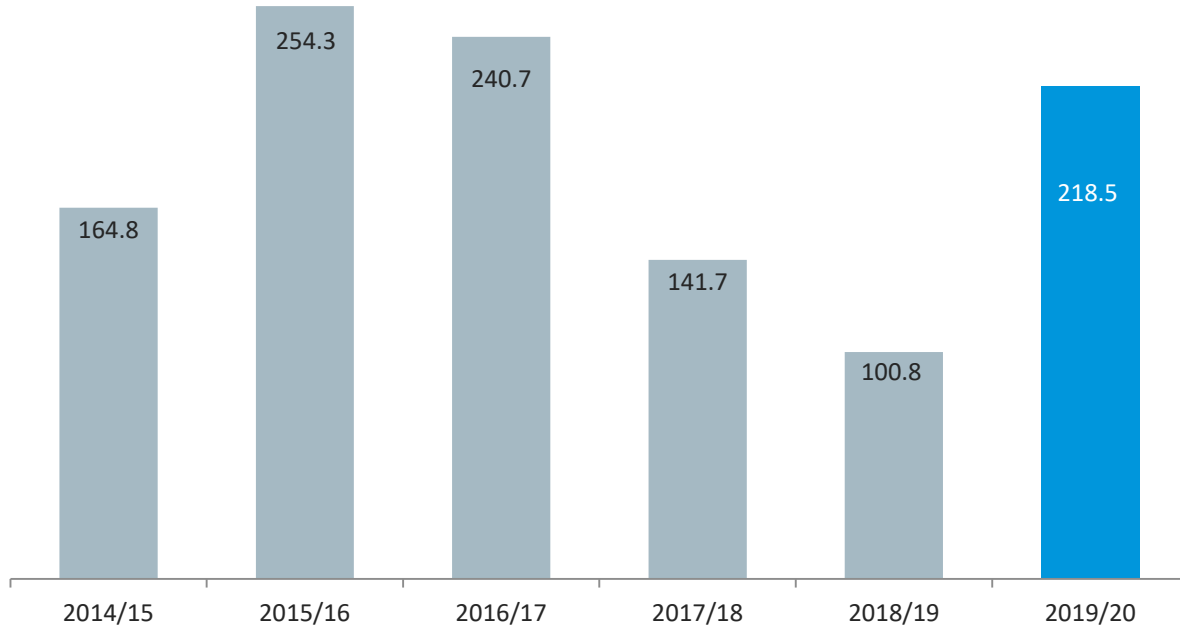
€ in thousands	01 Apr 2018 – 31 Mar 2019	01 Apr 2019 – 31 Mar 2020	Change YoY		
Cash flow from operating activities	170,534	185,123	8.5%	➔	Positive effects from higher working capital and negative effects from result
Cash flow from investing activities	(276,579)	(116,629)	57.8%	➔	Higher net capex and lower temporary net investment in financial assets
Cash flow from financing activities	147,199	17,924	(87.8%)	➔	Previous year period impacted by issuance of promissory note
Change in cash and cash equivalents	41,154	86,418	>100%	➔	Mainly due to shift between short- and long-term financing activities
Operating free cash flow ¹⁾	69,698	(33,404)	(>100%)	➔	Higher net capex mainly due to IC substrates investment
Free cash flow ²⁾	(106,045)	68,494	>100%		

¹⁾ Cash flow from operating activities minus Net CAPEX

²⁾ Cash flow from operating activities minus cash flow from investing activities

Net CAPEX

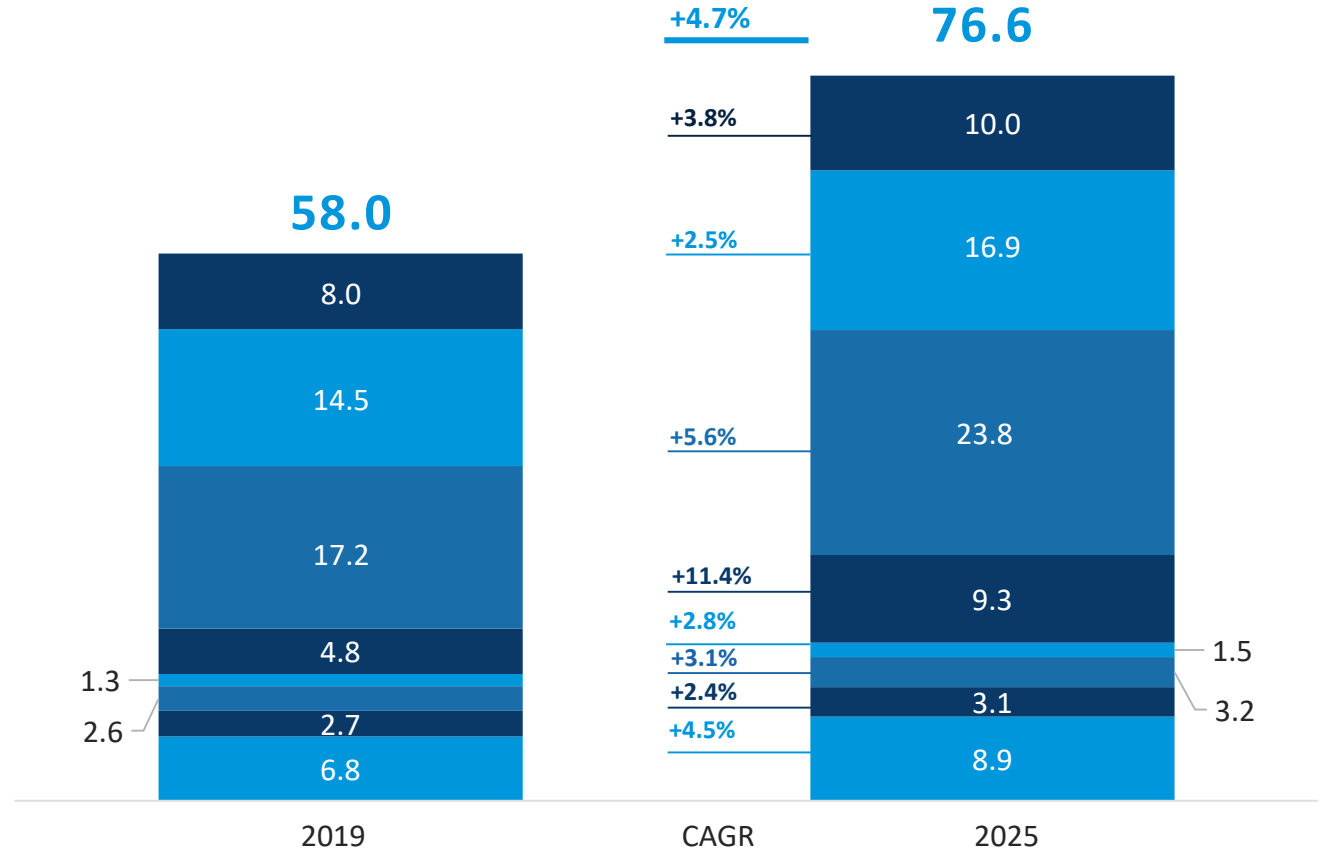
Investments in IC substrates and technology upgrades main reason for increase



in € millions

PCB & IC substrates market outlook

- Consumer
- Computer
- Communication
- Substrates
- Medical
- Industrial
- Aviation
- Automotive



in US-\$ billion
Source: Prismark, April 2020

Game changers for innovative applications



5G



Big data



AI



IoT

5G – The new standard for connectivity

Significant growth opportunities ahead



5G



Big data



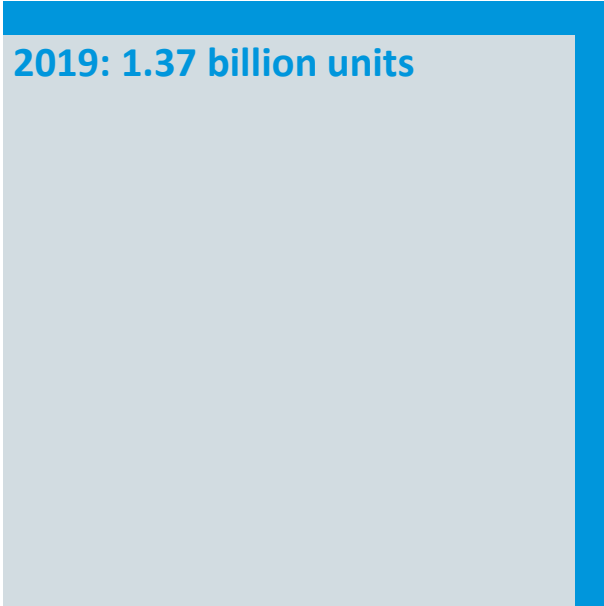
AI



Total smartphones

2025: 1.54 billion units

2019: 1.37 billion units

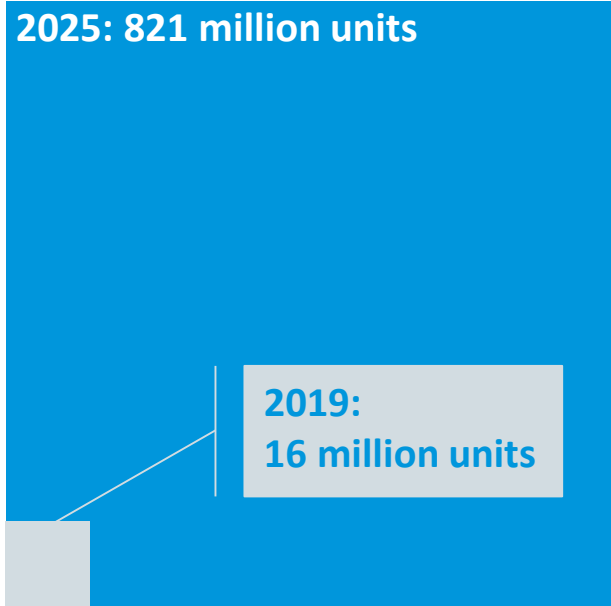


+2.0% CAGR

5G smartphones

2025: 821 million units

2019:
16 million units



92.8% CAGR

Source: IDC (2020), AT&S Analysis

IoT and Big data

Strong growth drivers for IC substrates



5G



Big data

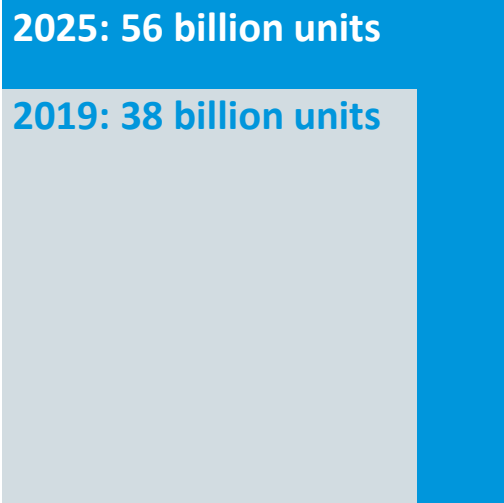


AI



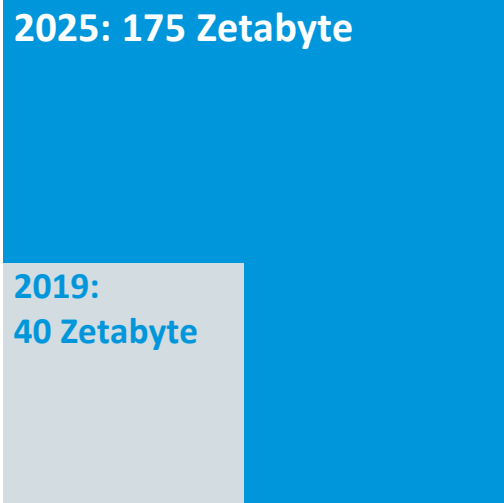
IoT

Connected devices



+6.7% CAGR

Global data volume



+27.9% CAGR

Source: IDC (2019)

IoT and Big data

Strong growth drivers for IC substrates



5G



Big data

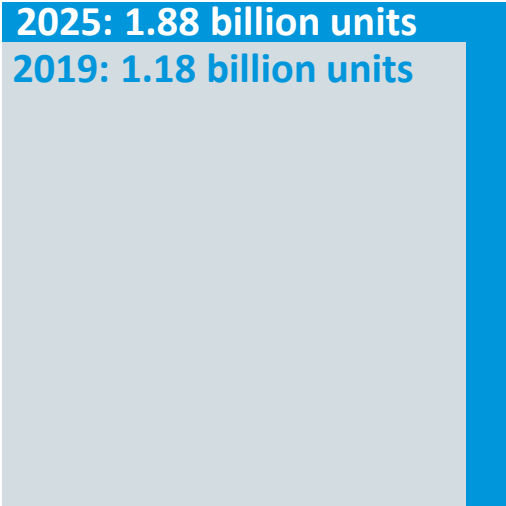


AI



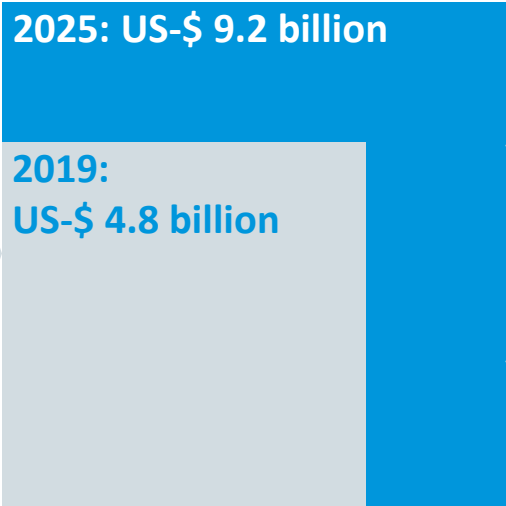
IoT

High-end processor modules



+8.1% CAGR

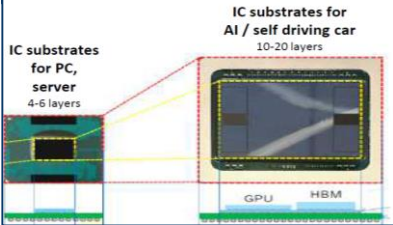
High-end IC substrates



+11.5% CAGR

Growth by adding value for AT&S

More powerful processors modules require larger form factor, higher layer count and thus higher value IC substrates

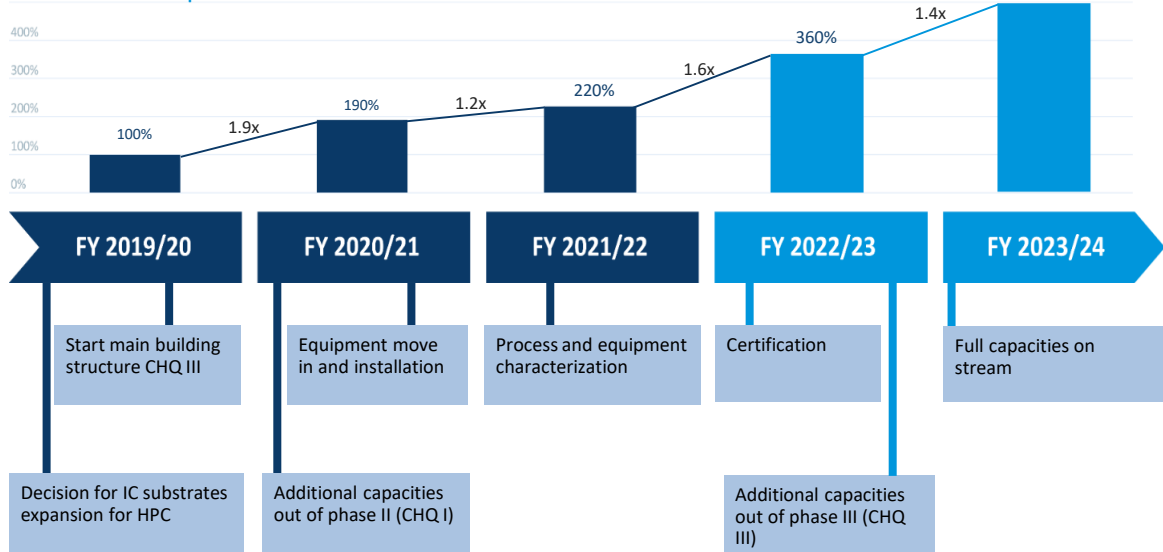


Source: IDC (2019) Prismark (2019), Yole (2019)

IC substrates business in Chongqing

Capacity expansion and technology investment pushed forward

IC substrates capacities



- Strategic focus on business with IC substrates for high-performance computing modules
- Despite travel bans qualification of new capacities out of phase II (CHQ I) in 2020/21 fully on track
- Significant new capacities and revenues out of phase II (CHQ I) in 2020/21
- CHQ3: Covid-19 related construction delay of 7 weeks, catch-up plans implemented and bearing fruits

Module business



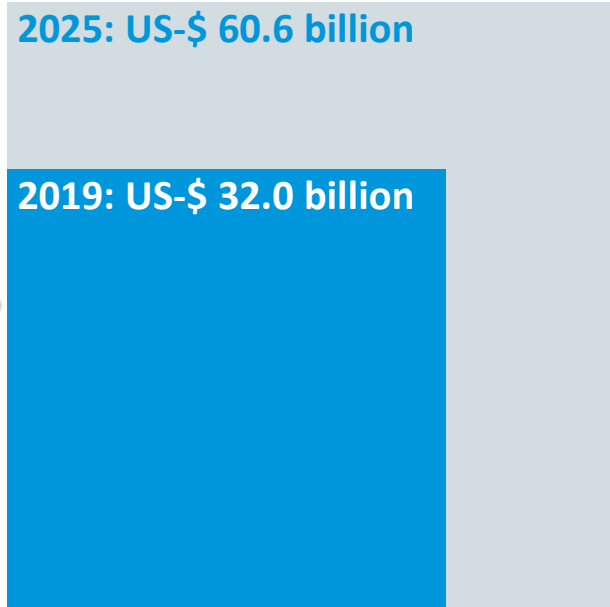
Modules & module integration

AT&S solutions for the electronics industry

Customer requirements driving demand for modularization

- Increased functionality - lower space
- Increased performance
- Reduced time to market
- Reduced cost
- Scalable for various applications

Module integration market



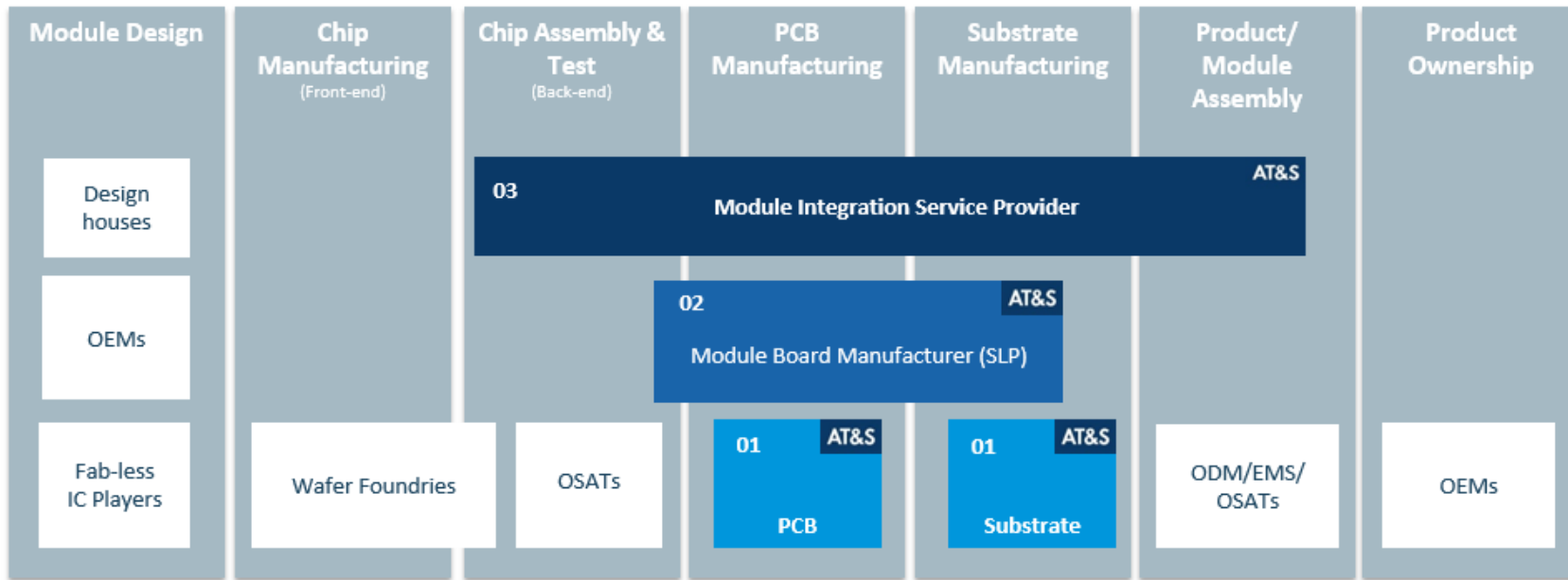
CAGR: 11.2%

- Changing customer requirements driving the need for modularization
- Strong growth potential in module integration market volume
- AI and 5G are further drivers for module integration

Source: A.T. Kearney (8/2018), AT&S (4/2020)

AT&S solutions for the electronics industry

New business opportunities through entry into the module market



>
Possible Module Applications:

- Power Modules
- 5G Modules
- Camera Modules
- ...

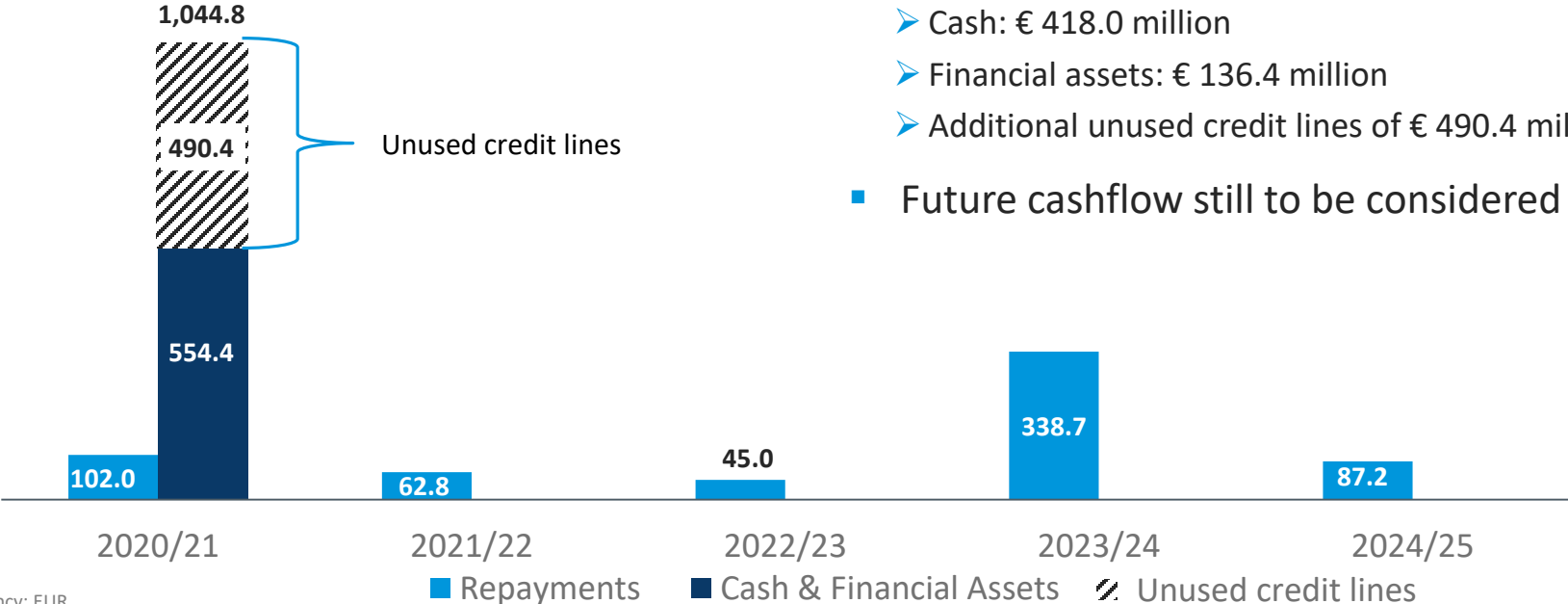


Solid finance structure

Existing funds and cashflow generation help to meet repayments and capex needs

- High level of existing liquid funds
 - Cash: € 418.0 million
 - Financial assets: € 136.4 million
 - Additional unused credit lines of € 490.4 million

- Future cashflow still to be considered



Currency: EUR
 Note: as of 31.03.2020

Outlook for 2020/21

AT&S is well positioned to positively participate in intact market trends

- Future trends not harmed by COVID-19 pandemic
- Influences on customer demand in the coming months expected
 - Product launches may be delayed in the Mobile Devices segment
 - Visibility in Automotive business is limited
 - Industrial segment continues to develop at a low level
 - Stable development for medical applications
 - Demand for IC substrates remains strong according to current forecasts
- Solid performance in Q1 with revenue and EBITDA at the level of previous year
- Outlook update as soon as economic framework conditions can be better quantified
- Investments in the IC substrate and module business to be consistently continued
 - Depending on market developments CAPEX for maintenance and tech-upgrade of up to € 80 million
 - CAPEX for strategic projects of up to € 410 million

Medium-term guidance confirmed

Technology development to module integration and capacity expansion



First choice
for advanced
applications

Expansion of technology leadership

- Leading provider of new interconnect solutions
- Innovation revenue rate: > 20%

Focus on continued profitable growth

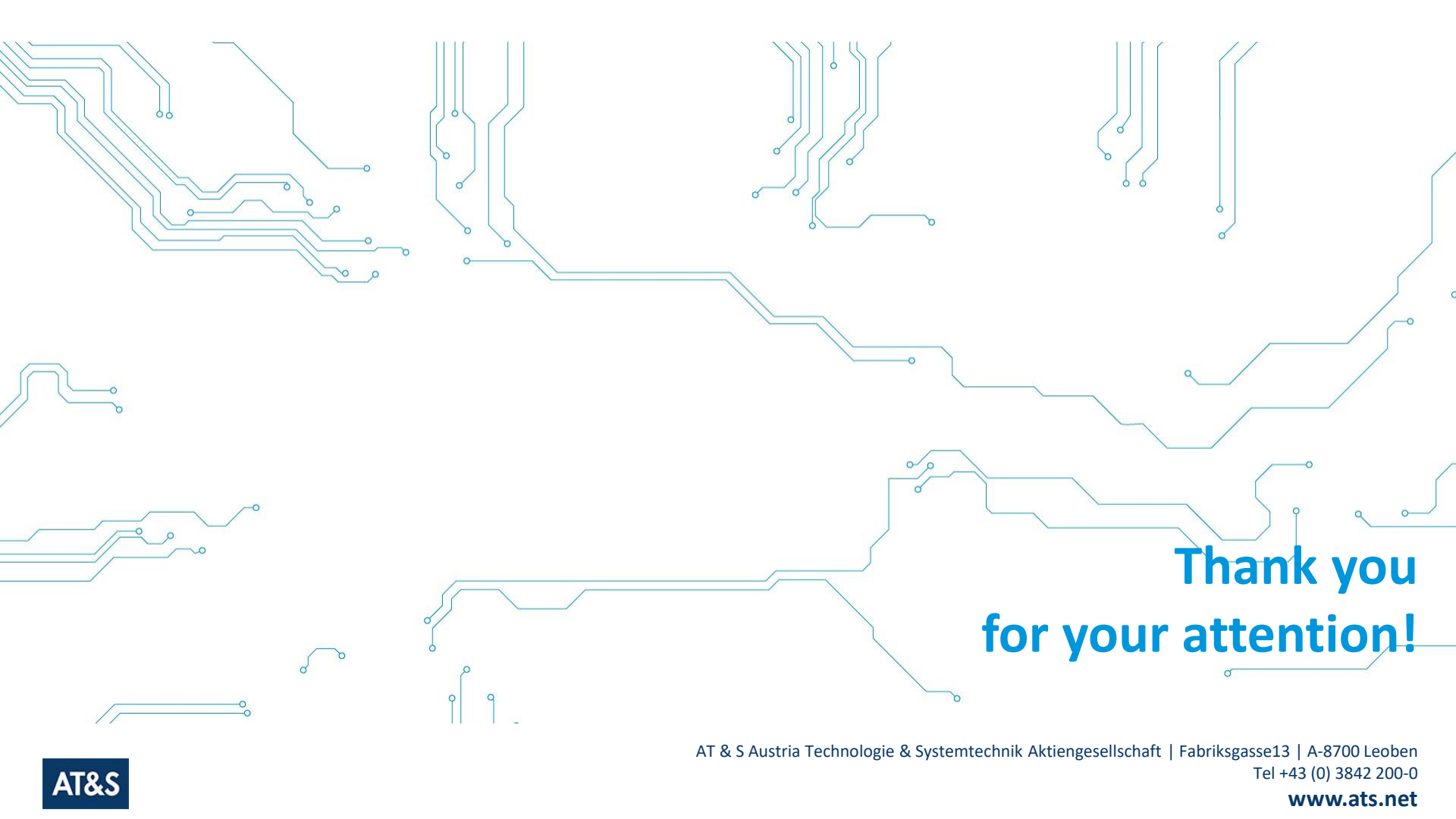
- Revenue target of € 2 billion
- Prosecution of sustainable margin improvement
- Medium-term EBITDA margin target of 25-30%

Creation of shareholder value

- Medium-term ROCE above 12%

Sustainability management

- 80% renewable energy
- Eco-balancing of product groups
- 30 % women in management positions



**Thank you
for your attention!**

Disclaimer

This presentation is provided by AT & S Austria Technologie & Systemtechnik Aktiengesellschaft, having its headquarter at Fabriksgasse 13, 8700 Leoben, Austria, or one of its affiliated companies (“AT&S”), and the contents are proprietary to AT&S and for information only.

AT&S does not provide any representations or warranties with regard to this presentation or for the correctness and completeness of the statements contained therein, and no reliance may be placed for any purpose whatsoever on the information contained in this presentation, which has not been independently verified. You are expressly cautioned not to place undue reliance on this information.

This presentation may contain forward-looking statements which were made on the basis of the information available at the time of preparation and on management’s expectations and assumptions. However, such statements are by their very nature subject to known and unknown risks and uncertainties. As a result, actual developments, results, performance or events may vary significantly from the statements contained explicitly or implicitly herein.

Neither AT&S, nor any affiliated company, or any of their directors, officers, employees, advisors or agents accept any responsibility or liability (for negligence or otherwise) for any loss whatsoever out of the use of or otherwise in connection with this presentation. AT&S undertakes no obligation to update or revise any forward-looking statements, whether as a result of changed assumptions or expectations, new information or future events.

This presentation does not constitute a recommendation, an offer or invitation, or solicitation of an offer, to subscribe for or purchase any securities, and neither this presentation nor anything contained herein shall form the basis of any contract or commitment whatsoever. This presentation does not constitute any financial analysis or financial research and may not be construed to be or form part of a prospectus. This presentation is not directed at, or intended for distribution to or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would require any registration or licensing within such jurisdiction.