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FIRST CHOICE
FOR ADVANCED
APPLICATIONS.

CONFERENCE CALL – Q1 2020/21
AUGUST 04, 2020

Global market development

Long-term trends largely unaffected, effect of COVID-19 with short-term impact

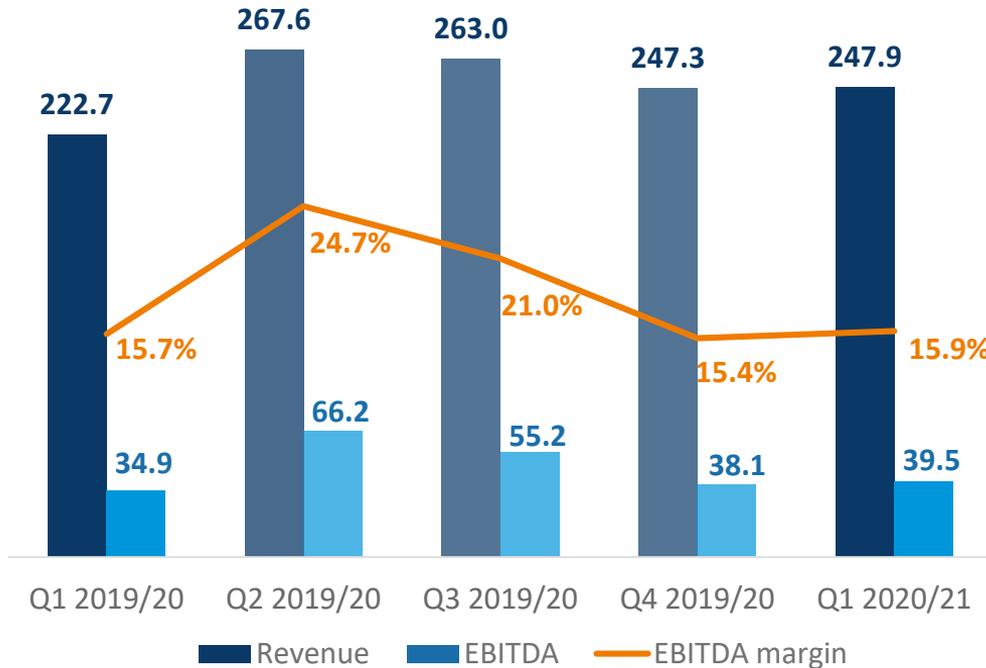
- Digital technologies and electronics are increasingly gaining importance for people's lifestyle
- Growth in data drives the need for processor modules and therefore high-end IC substrates
- Trade frictions still cause market uncertainty
- Unclear consumer behavior still causes low visibility especially in Mobile devices
- Despite increasing electronic content difficult market situation in the automotive sector is expected to remain in place for the time being
- Ongoing low industrial investment activity
- Medical market stable with positive demand for special applications

AT&S development in Q1 2020/21

Strong first quarter despite challenging environment

- Excellent crisis management helped to mitigate impact on revenue
- IC substrates once again with strong demand
- Mobile Devices segment supported by customer and application diversification
- Drop in vehicle sales weighs on Automotive segment
- Industrial segment profits from better product mix
- Medical & Healthcare influenced by temporary unfavourable product mix

Revenue and EBITDA development

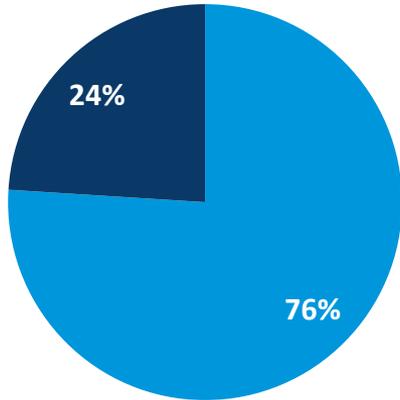


- Revenue and EBITDA positively influenced by currency effects
- Future technology generations require higher R&D spending
- Positive EBIT of € 0,2 million despite higher depreciation
- Net profit lower at € -7.5 million (PY: € -6.2 million)
- Operating free cash flow at € -53.8 million (PY: € -21.2 million) due to higher investment activity

in € millions

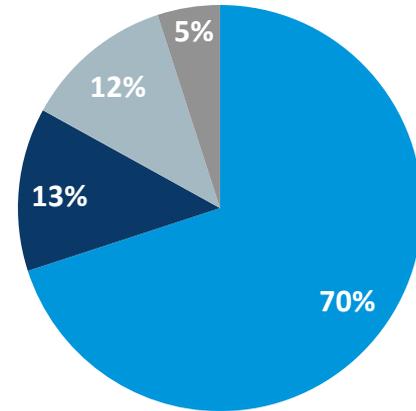
Revenue distribution Q1 2020/21

Revenue split by segment



Revenue split by region

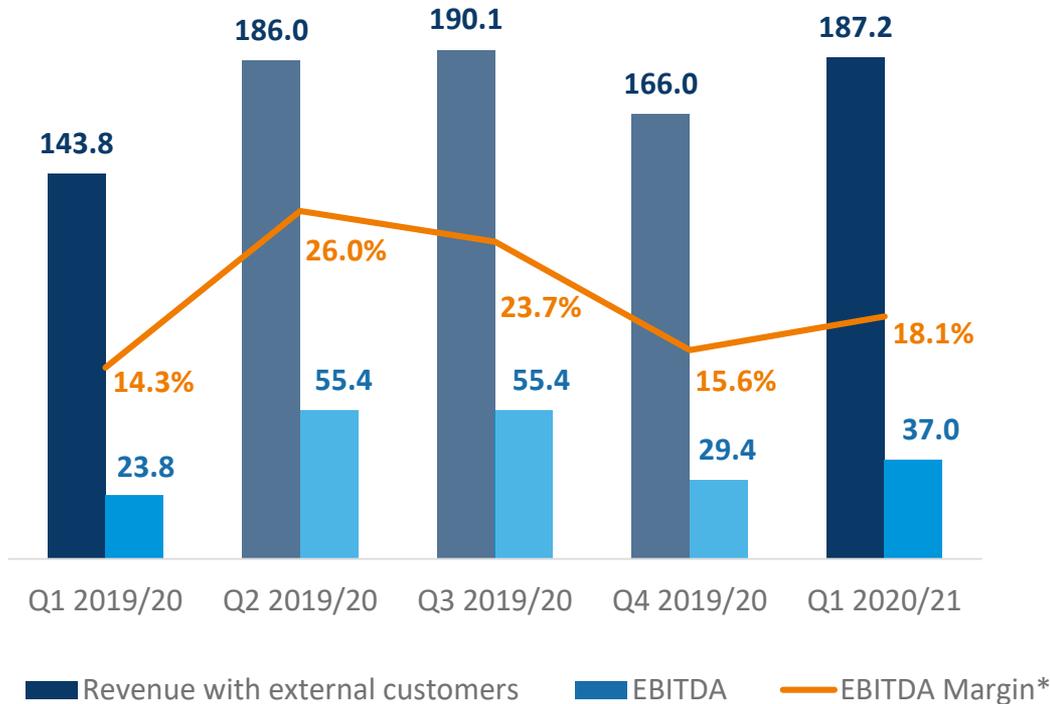
based on customer's headquarters



■ Mobile Devices & Substrates ■ Automotive, Industrial, Medical

■ Americas ■ Germany/Austria ■ Asia ■ Other European countries

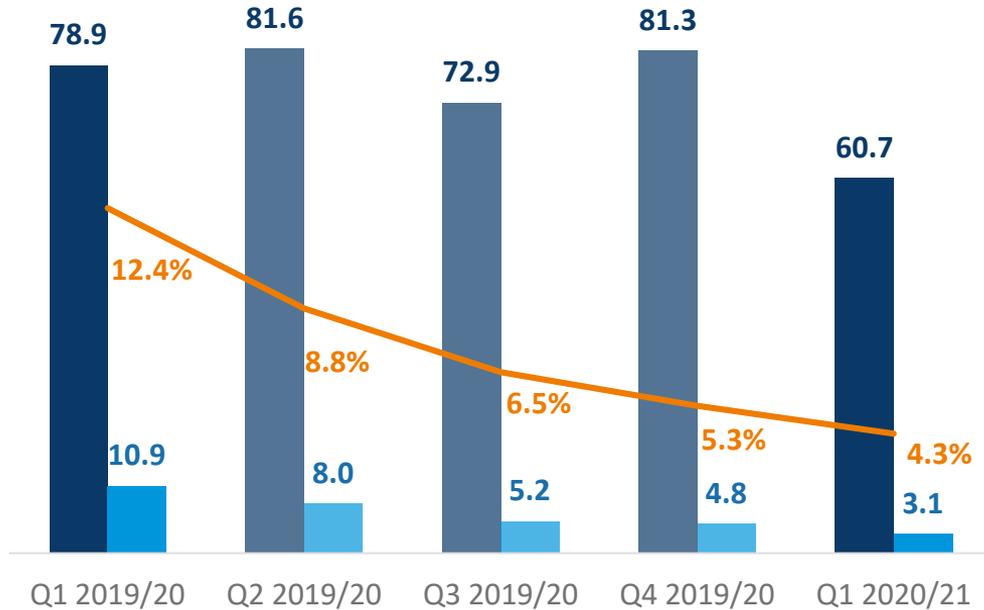
Business development – Mobile Devices & Substrates



- IC substrates revenue driven by higher volume and better product mix
- Higher volume as well as broadened customer and application portfolio support Mobile Devices
- Revenue and earnings positively impacted by FX effects

in € millions; *Margin calculated from total business unit revenue

Business development – Automotive, Industrial, Medical



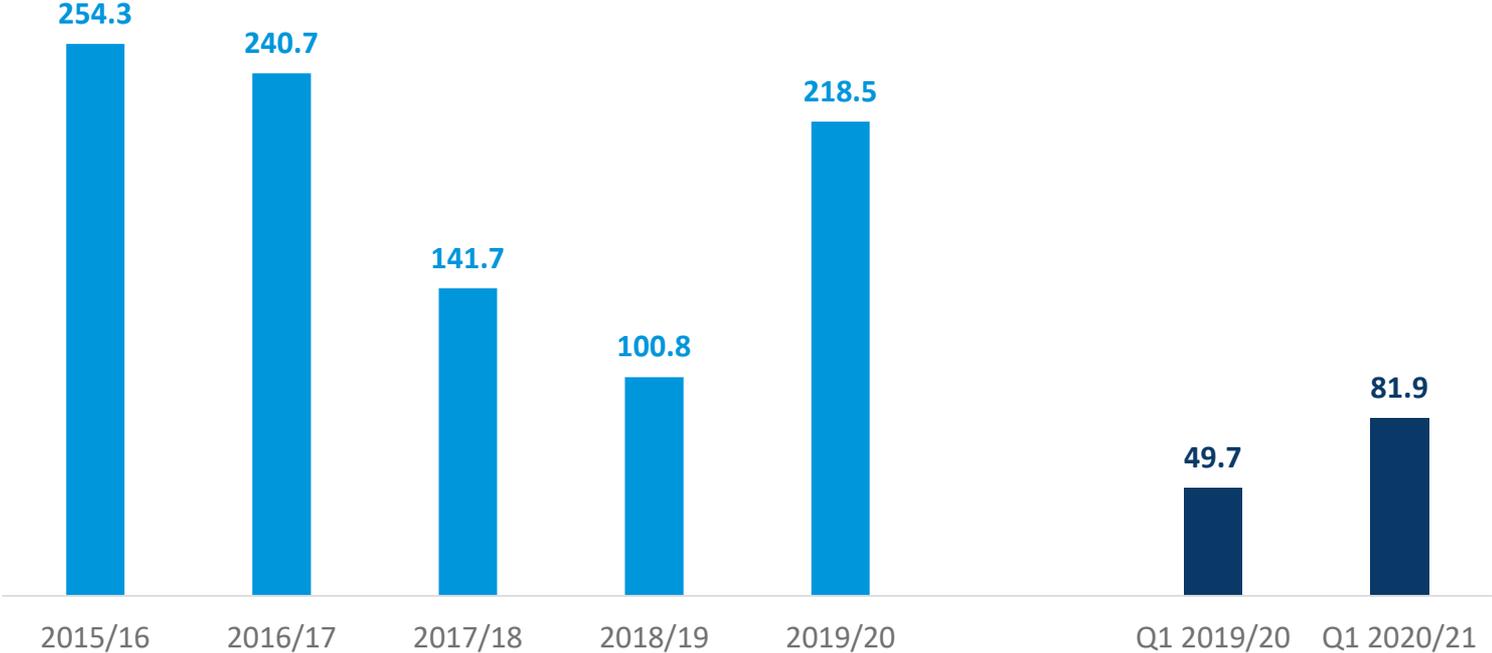
- Industrial segment shows solid development driven by better product mix
- Automotive segment burdened by strong decrease in vehicle sales
- Medical & Healthcare influenced by temporary unfavourable product mix

■ Revenue with external customers ■ EBITDA — EBITDA margin*

in € millions; *Margin calculated from total business unit revenue

Net CAPEX

Investments in IC substrates and technology upgrades main reason for increase



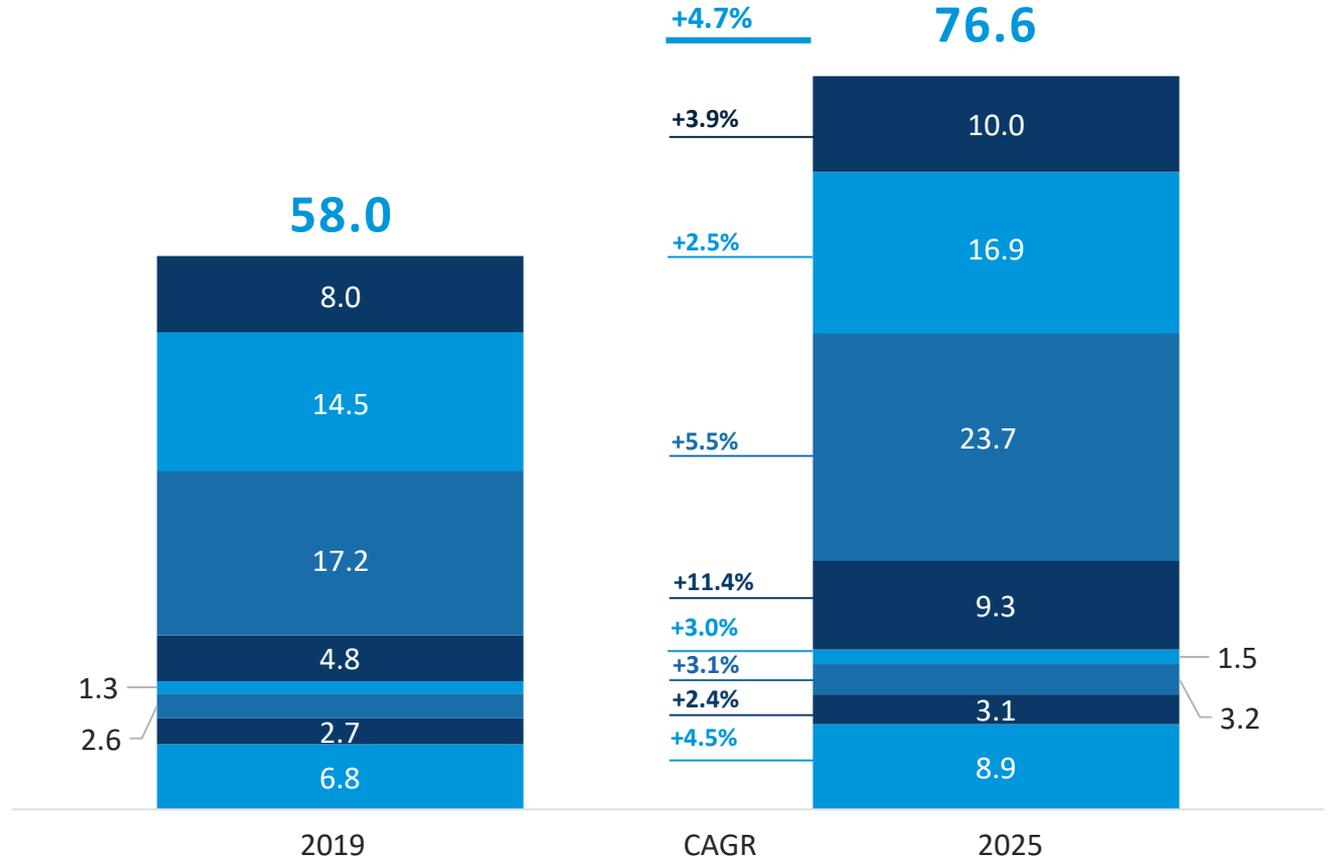
in € millions

Balance Sheet

		31.03.2020	30.06.2020	Change in %
Total assets	Mio. €	1,853.5	1,980.1	6.8%
Equity	Mio. €	760.3	726.4	(4.5%)
Equity ratio	%	41.0%	36.7%	–
Net debt	Mio. €	246.7	298.3	20.9%

PCB & IC substrates market outlook

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



in US-\$ billion
 Source: Prismark, April 2020; Substrate: Yole, May 2019

IoT and Big data growth drivers for IC substrates

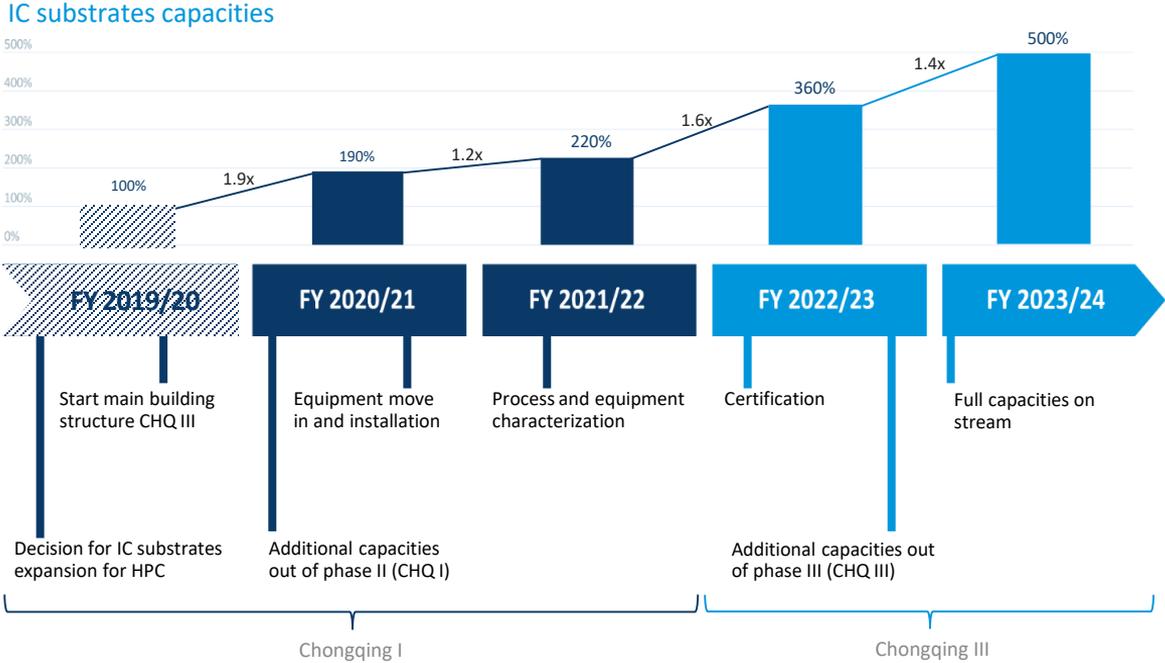
AT&S first high-end IC substrates manufacturer in China

- IC substrates market should show strong growth of 11 % (CAGR) until 2025
- Strategic focus on business with IC substrates to follow the trend of the heterogeneous module integration
- Increase capacities and capabilities to become one of the leading providers of high-end IC substrates for high-performance computing
- Since 2016 serial production of IC substrates in Chongqing I
- Construction start of Chongqing III in 2019



IC substrates business in Chongqing

Capacity expansion and technology investment pushed forward

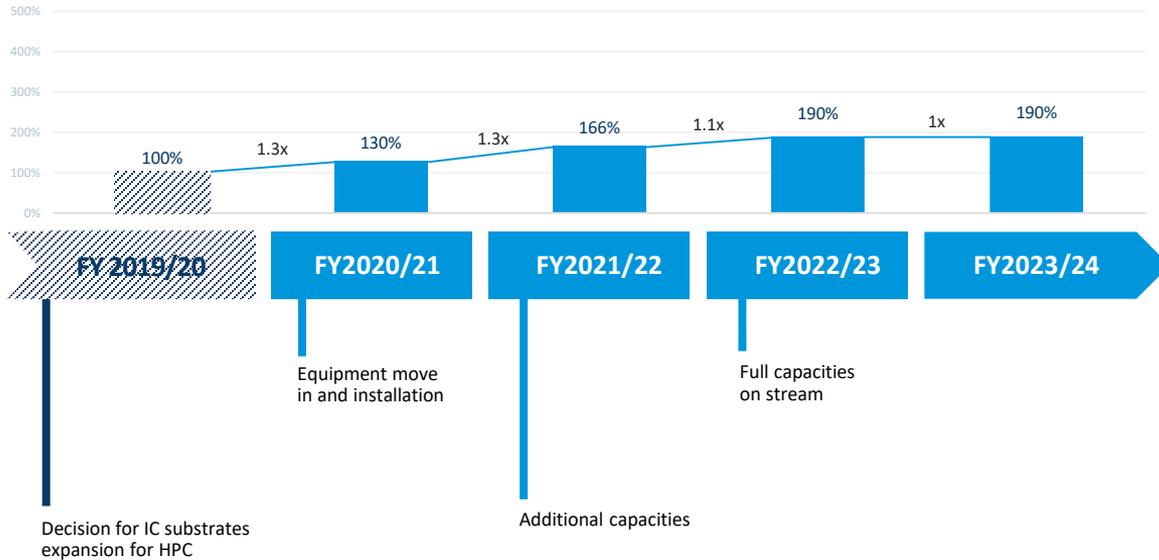


- CHQ I: Despite COVID-19 the first patch of equipment was installed and qualified and the ramp up is on track
- Relevant revenue contribution out of phase II (CHQ I) expected in 2020/21
- CHQ3: Covid-19 related construction delay is below 7 weeks
- An improved qualification plan can compensate the delay of the construction and guarantee to meet the certification date

IC Substrate Core Production Leoben-Hinterberg

Investing into the future

IC substrate cores capacities Leoben-Hinterberg



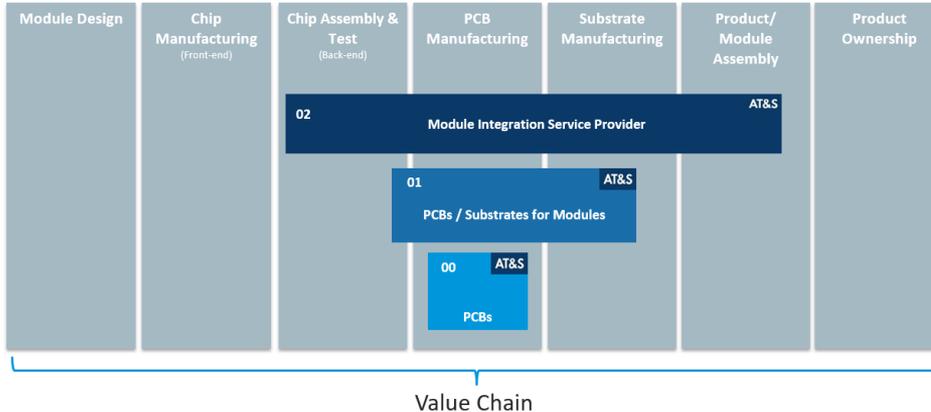
- Up to € 120 million investment volume for a technology upgrade in Leoben-Hinterberg
- Up to 25% of the investments will be funded by the EU programme “IPCEI on Microelectronics
- 200 additional employees by 2023

IMST partnership: Adding value by extending capabilities

Next step to become a module integration service provider

- Extend system- and design know how for HF modules
- Proactively offer solutions to our customers
- Combined knowledge sharing will enable to create value by jointly developing new ideas and IP
- Broadening the service range will open up for new future business opportunities

IC Market Value Chain



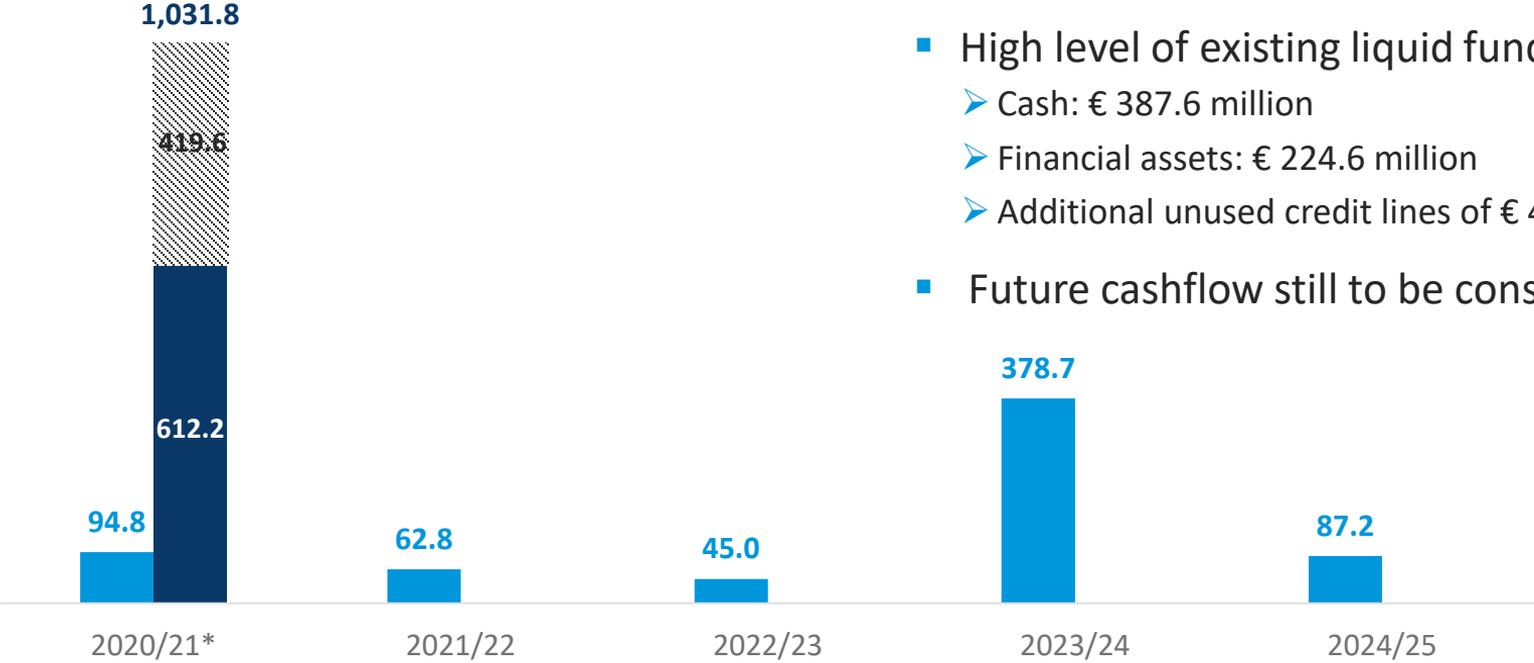
About IMST GmbH (Germany)



- Leading design house and development center for
 - Wireless modules
 - Communication systems
 - Chip design
 - Antennas
 - Simulation and regulatory certification
- ~145 employees

Solid finance structure

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



- High level of existing liquid funds
 - Cash: € 387.6 million
 - Financial assets: € 224.6 million
 - Additional unused credit lines of € 419.6 million

- Future cashflow still to be considered

Currency: EUR
 *as of 30.06.2020

■ Repayments ■ Cash & Financial Assets ▨ Unused credit lines

Outlook for 2020/21

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

- Future trends not harmed by COVID-19 pandemic
- Expectations for customer demand for the current year
 - Product launches may be delayed in the Mobile Devices segment due to uncertain consumer sentiment
 - Automotive market will not recover quickly to pre-crisis levels
 - Industrial segment to remain at the level of previous year
 - Slight growth expected for medical applications
 - Demand for IC substrates remains strong according to current forecasts
- Q2 with revenue at the level of previous year and EBITDA margin within target range of 20 to 25%
- 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 plus € 30 million due to timing variances

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

A person wearing a red jacket and black pants is captured mid-air, performing a backflip over a multi-lane highway. The background features a city skyline with various skyscrapers under a dramatic, cloudy sky at sunset or sunrise. The overall scene conveys a sense of strength, agility, and forward motion.

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ANNEX

Financials Q1 2020/21

STATEMENT OF PROFIT OR LOSS

€ in thousands	Q1 2019/20	Q1 2020/21	Change YoY	
Revenue	222,739	247,862	11.3%	➔ Revenues increase in IC-Substrates, Mobile Devices and Industrial segment, lower volume in Automotive segment out of market situation
EBITDA	34,905	39,493	13.1%	➔ EBITDA development supported by higher revenues and in spite of higher R&D costs for future applications
EBITDA margin	15.7%	15.9%	0.2pp	
EBIT	(562)	243	>100%	➔ Higher depreciation due to growing fixed asset base
EBIT margin	(0.3%)	0.1%	0.4pp	
Finance costs – net	(1,739)	(5,245)	(>100%)	➔ Higher negative FX-effects and higher negative interest result due to investing/financing activities
Profit/(loss) for the year	(6,204)	(7,462)	(20.3%)	
Earnings per share	(€ 0.21)	(€ 0.25)	-	

STATEMENT OF FINANCIAL POSITION

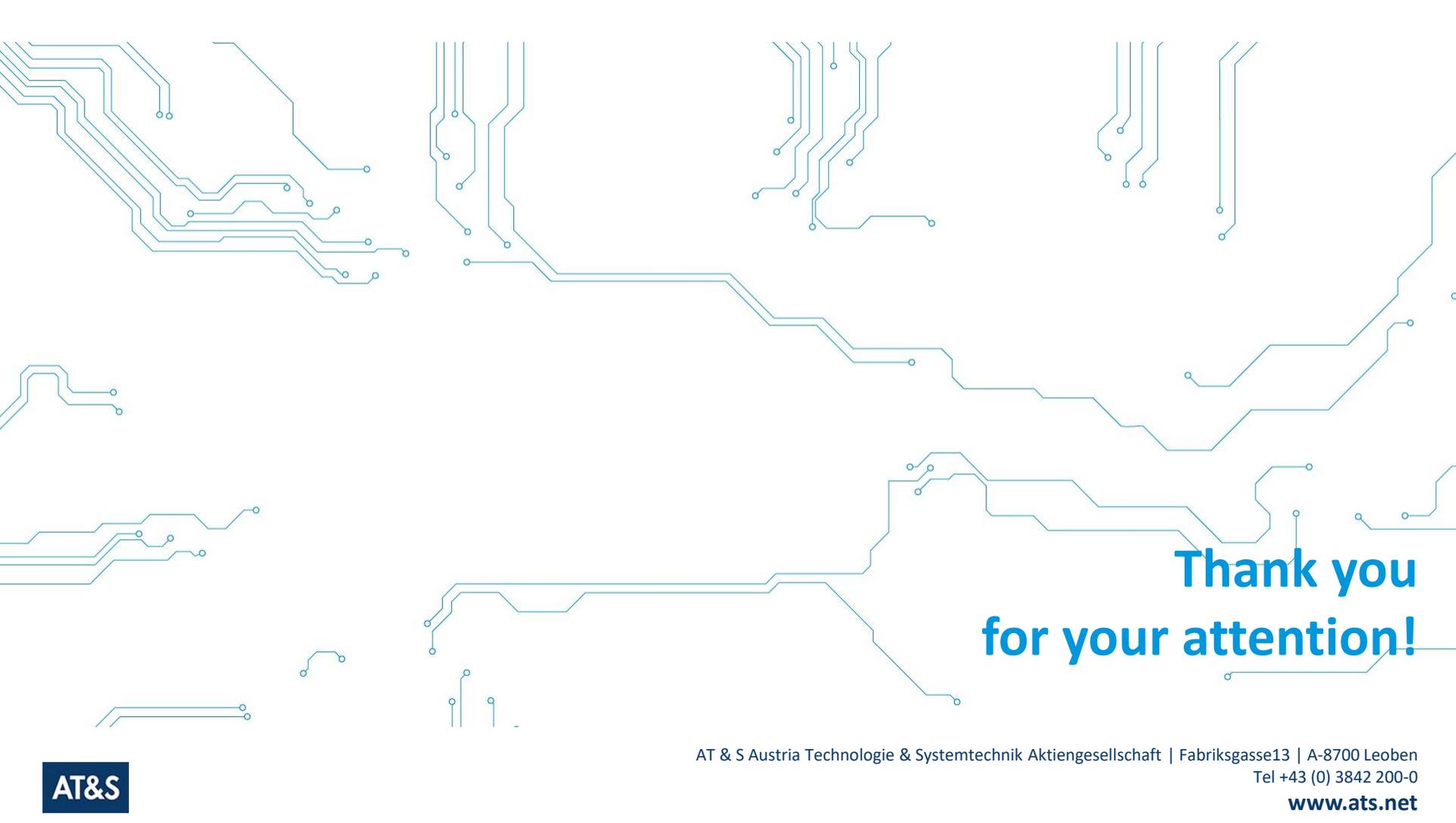
€ in thousands	31 Mar 2020	30 Jun 2020	Change YoY		
Equity	760,259	726,415	(4.5%)	➔	Quarterly loss and negative FX-effects led to an decrease in equity
Total assets	1,853,510	1,980,050	6.8%	➔	Higher property/plant/equipment and increase in financing activities (higher cash and financial assets as well as higher financial liabilities)
Net debt	246,747	298,311	20.9%	➔	Increase caused by higher financial liabilities
Net working capital	144,418	154,300	6.8%	➔	Lower trade receivables and higher trade payables
Equity ratio	41.0%	36.7%	(4.3pp)	➔	Lower equity mainly due to negative FX effects and higher total assets

STATEMENT OF CASH FLOWS

€ in thousands	Q1 2019/20	Q1 2020/21	Change YoY	
Cash flow from operating activities	28,505	28,124	(1.3%)	➔ Positive effects from result and negative effect out change in working capital
Cash flow from investing activities	(63,745)	(171,214)	(>100%)	➔ Higher net capex and higher temporary net investment in financial assets (directly linked to financing activities)
Cash flow from financing activities	(2,710)	119,406	>100%	➔ Preparation of investing activities in the nearest future
Change in cash and cash equivalents	(37,950)	(23,684)	37.6%	
Operating free cash flow ¹⁾	(21,173)	(53,756)	(>100%)	➔ Higher net capex mainly due to IC substrates investment
Free cash flow ²⁾	(35,240)	(143,090)	(>100%)	➔ Financing activities lead to increased negative free cash flow

¹⁾ Cash flow from operating activities minus Net CAPEX

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



**Thank you
for your attention!**

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