



Report of the Supervisory Board

Dear shareholders,

The financial year 2014/15 was enormously successful for AT&S. In a market environment of strong growth for AT&S customers, and as a result of clear strategic direction combined with operational excellence, AT&S was able to increase all of its key success indicators and not only to maintain the growth trajectory of the previous years but sharply accelerate it as well. This growth and technological leadership in a competitive environment dominated by Asian companies is expected to continue with the start of production for the new “IC substrate” technology and expansion of the production facility in Chongqing, China, for the next generation of printed circuit boards – the substrate-like printed circuit board.

Setting the strategic direction for development in Chongqing and the specific steps, capital expenditures and financing issues associated with it was a key focus of the advice provided and decisions made by the Supervisory Board in the financial year 2014/15. One of these meetings was held at the site of the plant under construction in Chongqing, which gave all members of the Supervisory Board present an overview of the progress of the project.

Again in the past financial year, the Supervisory Board diligently executed its tasks and duties as required by law, the Articles of Association, the Austrian Corporate Governance Code (ÖCGK) and its rules of procedure. In the financial year from 1 April 2014 to 31 March 2015, the Supervisory Board was regularly informed by the Management Board through an open exchange of information and opinions, as well as comprehensive oral and written reports about the market situation, strategy, operating and financial position of the Group, its investments in other companies, staff situation and planned capital expenditure. The Supervisory Board took the respective decisions accordingly. The Supervisory Board was able to confirm a functioning Issuer Compliance system.

Between meetings of the Supervisory Board, the Chairman of the Supervisory Board was regularly informed by the Management Board of business developments.

The Supervisory Board met six times during the 2014/15 financial year, with the participation of the Management Board. Franz Katzbeck was excused from two Supervisory Board meetings; Regina Prehofer, Karin Schaupp and Karl Fink were each excused from one. During the financial year 2014/15, there were no changes in personnel on the Supervisory Board. At the 20th Annual General Meeting of AT&S on 3 July 2014, there was one re-election in the course of which Gerhard Pichler was again elected to the Supervisory Board of the Company.

SUPERVISORY BOARD COMMITTEES The Supervisory Board has established an Audit Committee and a Nomination and Remuneration Committee as standing committees. In the 2014/15 financial year the Supervisory Board also established a Project Committee to address matters related to debt financing. Each established committee attended to its individual area in detail and reported accordingly to the Supervisory Board.

The Audit Committee, consisting of Regina Prehofer (Chairwoman), Gerhard Pichler (finance expert), Georg Riedl, Wolfgang Fleck and Günther Wölfler, focused primarily on the review of the annual and consolidated annual financial statements for the year ended 31 March 2014 and planning and preparation for the audit of the annual and consolidated annual financial statements for the financial year 2014/15. Through discussions with the Auditor, inspection of relevant documents and discussions with the Management Board, it obtained a true and fair view. The Audit Committee also monitors the effectiveness of the group-wide internal control system and the Group's internal audit and risk management systems. The Audit Committee reported to the plenary Supervisory Board with respect to this monitoring and found no deficiencies. The Audit Committee convened twice in the past financial year. The meetings were chaired by Regina Prehofer, who was regularly involved in quarterly reporting in this capacity and reported on these matters to the Supervisory Board.

A significant focus of the Supervisory Board with respect to remuneration was the introduction in the financial year 2014/15 of a long-term incentive programme for the Management Board and key staff based on stock appreciation rights (“SAR”). The programme is a replacement for the stock option scheme that expired with its last distribution on 1 April 2012. The Nomination and Remuneration Committee comprises the following members:

Hannes Androsch (Chairman), Karl Fink, Albert Hochleitner, Wolfgang Fleck and Günther Wölfler. The Nomination and Remuneration Committee met three times.

On 19 March 2015 the Supervisory Board resolved to create a Project Committee to oversee further progress with respect to the implementation of various measures for debt financing, including providing approval for implementation of the relevant transactions.

The Project Committee consists of Hannes Androsch (Chairman), Willibald Dörflinger, Regina Prehofer, Wolfgang Fleck and Günther Wölfler. As the Project Committee was formed on 19 March 2015, and thus at the end of the financial year, it did not meet during the financial year 2014/15. However, it will be ongoing after 31 March 2015 until its dissolution.

SELF-EVALUATION OF THE SUPERVISORY BOARD The Supervisory Board performs an annual self-evaluation, as it did again in the financial year 2014/15 to ensure the continuing improvement of its working practices and the fulfilment of its responsibilities to the shareholders and other stakeholders. The annual evaluation carried out by the Supervisory Board confirmed that its regular practices meet the requirements of the Austrian Stock Corporation Act and the Austrian Corporate Governance Code (ÖCGK), and that its organisation, work practices and orientation in the interest of the shareholders and all other stakeholders are effective. The self-evaluation will continue to constitute an important component of critical review by the Supervisory Board of its own activities.

ANNUAL AND CONSOLIDATED FINANCIAL STATEMENTS The Supervisory Board of AT&S proposed that PwC Wirtschaftsprüfung GmbH, Vienna be appointed Company and Group auditors for the financial year 2014/15. The proposal was approved by the Annual General Meeting of 3 July 2014.

The annual financial statements of AT&S and the consolidated financial statements for the year ended 31 March 2015 were both audited by PwC Wirtschaftsprüfung GmbH, Vienna, and awarded an unqualified audit report. The management report and the Group management report for the financial year 2014/15 were consistent with the annual financial statements and the consolidated financial statements. Based on the prior discussions of the Audit Committee, and after its own detailed discussions and examination, the Supervisory Board approved the Company's annual financial statements for the year ended 31 March 2015 in accordance with section 96(4) Austrian Stock Corporation Act (AktG). Also based on the prior discussions of the Audit Committee, and after its own detailed consideration and examination, it approved the consolidated financial statements drawn up in accordance with section 245a Austrian Commercial Code (UGB) and with IFRS, as well as the management report, the consolidated management report and the corporate governance report. The Supervisory Board review, which included extensive discussions with the auditors, did not give rise to any objections. Pursuant to the recommendation of the Audit Committee, the Supervisory Board of AT&S will propose to the 21st Annual General Meeting that PwC Wirtschaftsprüfung GmbH, Vienna be appointed Company and Group auditors for the financial year 2015/16.

The Supervisory Board adopts the Management Board's recommendation for the allocation of profits. Accordingly, 13,986,000.00 € should be distributed as dividends from the reported net profit as at 31 March 2015 amounting to 36,874,815.29 € (whereof distributable: 24,502,815.29 €), which corresponds to 0.36 € per share. The remaining amount of 22,888,815.29 € should be carried forward.

THANKS TO THE MANAGEMENT BOARD AND ALL AT&S EMPLOYEES Finally, the Supervisory Board would like to express its gratitude and acknowledgement to the entire Management Board and all employees for their particular achievements and commitments in the past financial year.

On behalf of the Supervisory Board
Leoben-Hinterberg, 8 June 2015

Hannes Androsch
Chairman of the Supervisory Board