

A person wearing a red jacket and black pants is captured mid-air, jumping high above a city street. 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 and forward momentum.

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STRONG
FOR
tomorrow

**FIRST CHOICE
FOR ADVANCED
APPLICATIONS.**

**KEPLER CHEUVREUX GCC 2021
20.01.2020**

Leading provider of high-end PCBs and IC substrates

Well positioned for the future

2

high-end PCB
producer worldwide

5

ABF substrates
producer worldwide

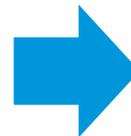


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in
FY 2024/25

€ 1bn

revenue
FY 2019/20



€ 2bn

revenue
FY 2024/25

■ Unique market position

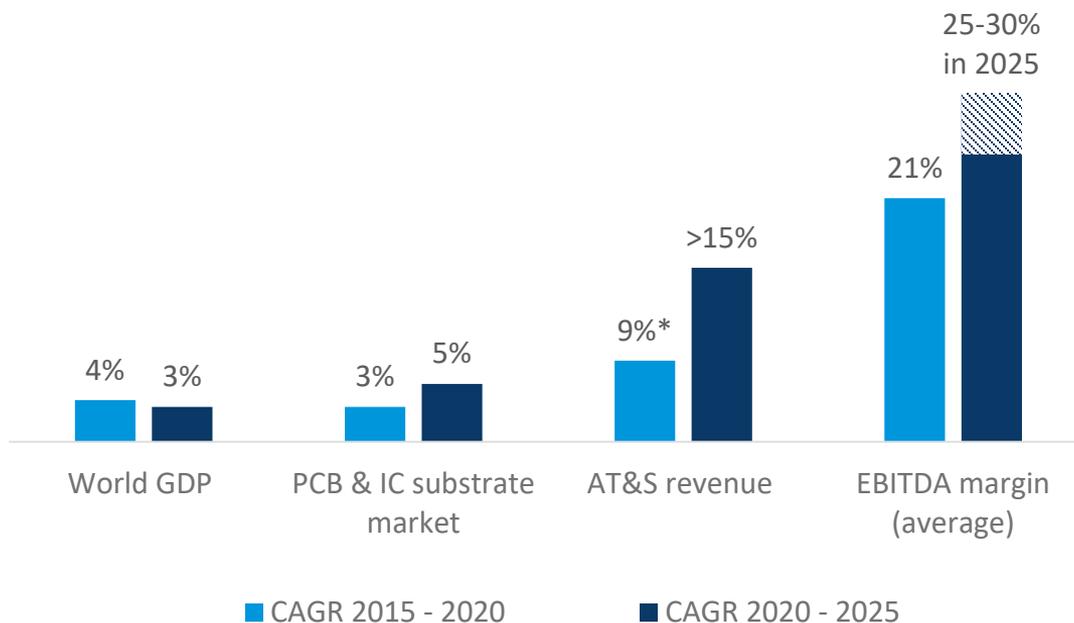
- Broad product portfolio to serve all growth markets
- Long-standing customer relationships with technology and market leaders
- Technology innovator due to continuous R&D efforts
- Quality benchmark with outstanding process know-how, productivity and efficiency

■ Growth oriented strategy

- Megatrend-driven markets with attractive growth potential
- Address growth opportunities with incremental investments

An exciting growth story

AT&S with faster revenue growth than market



*Revenue 2020/21 assumes envisaged growth of around 15%



Growing profitably with served markets

Expanding served markets

- IC substrates/modules: 11% market growth until 2025

~ 15 %

Revenue CAGR 2020 – 2025

25 – 30 %

EBITDA margin target

Growing market

- Technology leadership
- Operational excellence
- Strong customer engagement
- Clear focus on dedicated applications

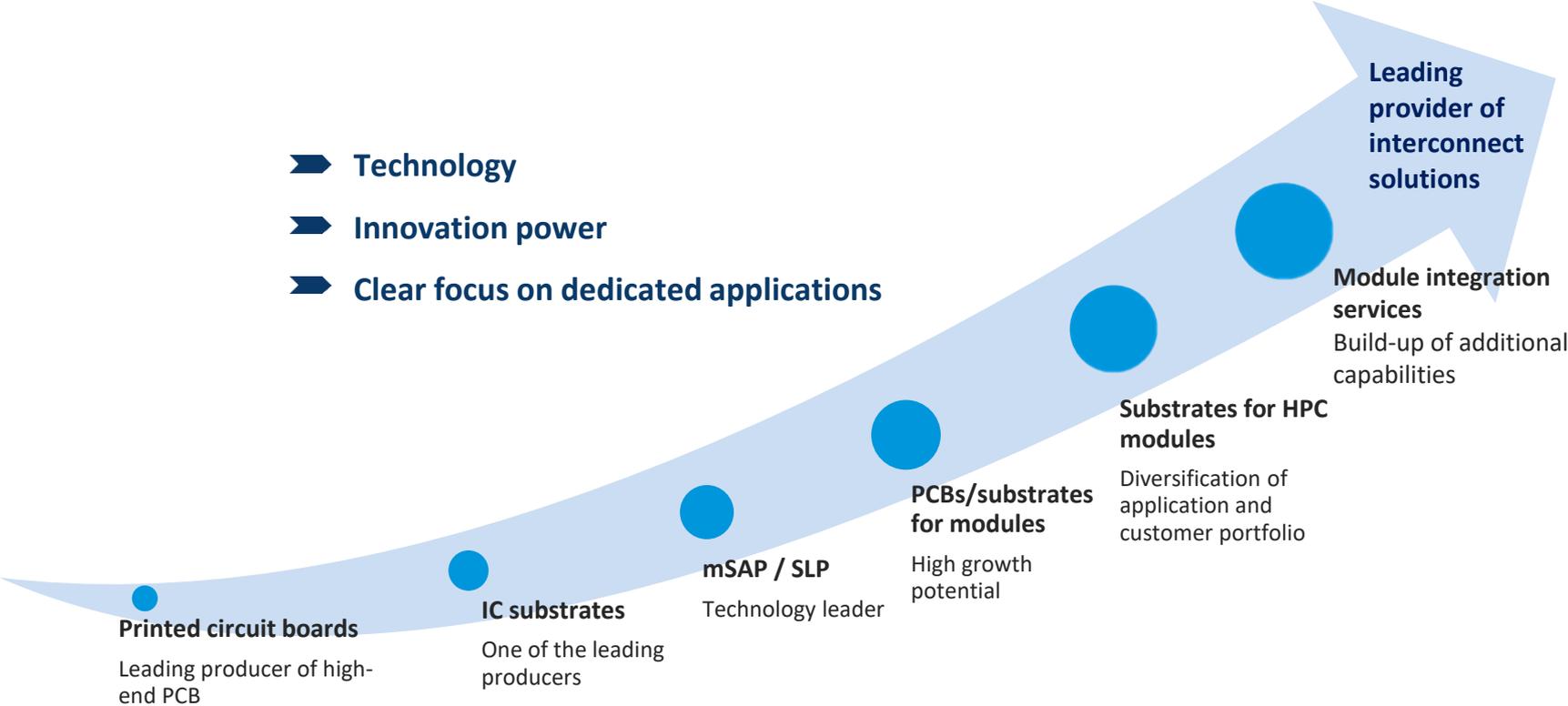
Strategy in execution

- IC substrates – full expansion of capacities in CHQ I
- High-end PCBs – full expansion of capacities in CHQ II
- IC substrates – build-up of new capacities in CHQ III
- Further developing of PCB business to serve trends of modularization and miniaturization

More than AT&S

Broadening the service range and opening up of new business opportunities

- Technology
- Innovation power
- Clear focus on dedicated applications





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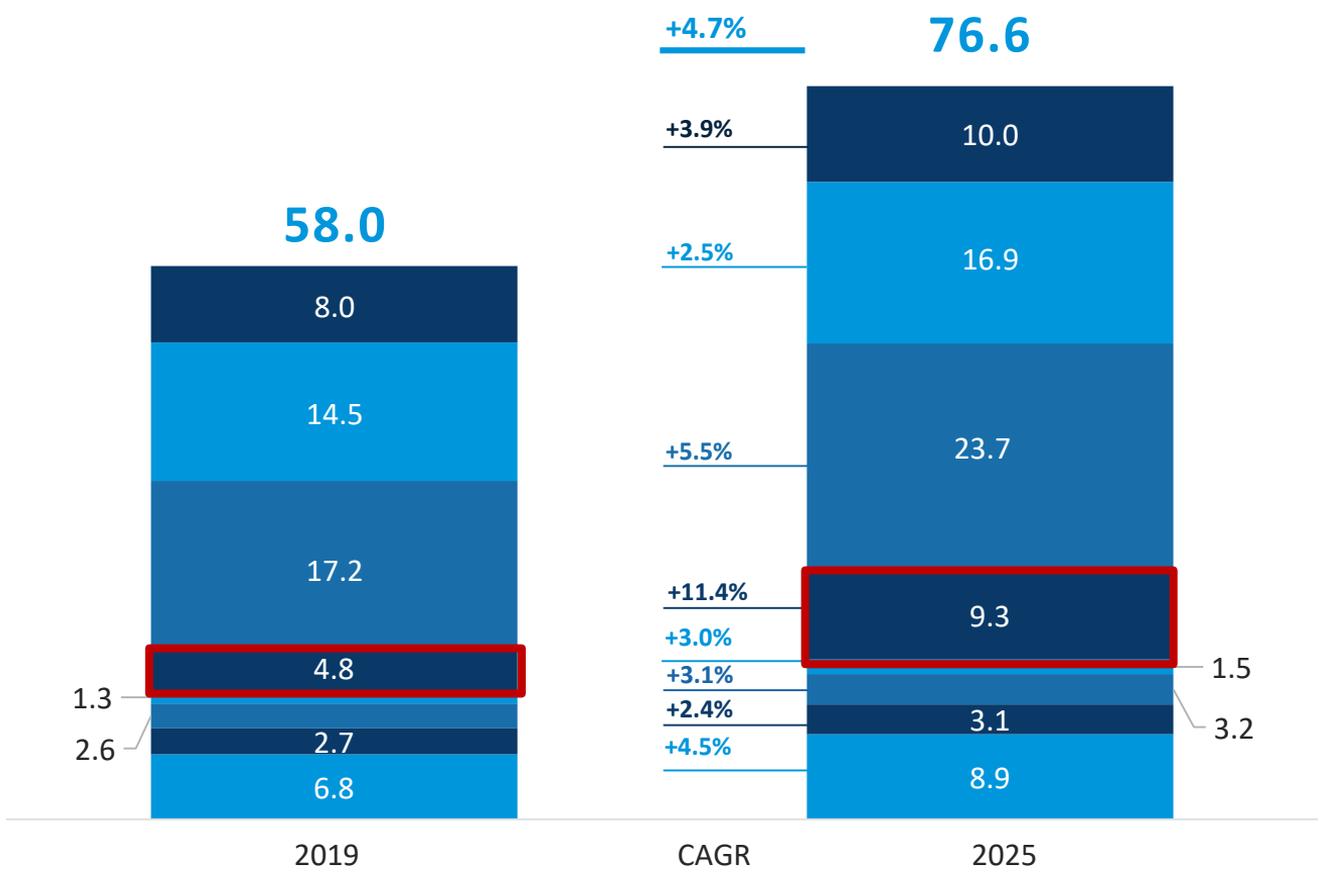
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MARKET UPDATE & GROWTH DRIVERS

PCB & IC Substrates market outlook

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



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

Developments driving the IC substrates market growth

From cloud to edge



In the Cloud

Current Trend



On the Device



Real-time updated maps



E-commerce



Real-time translation



Augmented Reality



Scene recognition



Object recognition



Biometric authentication

**Connected devices:
(4.6 % CAGR)**

2019: 42 billion units

2025: 55 billion units

Developments driving the IC substrates market growth

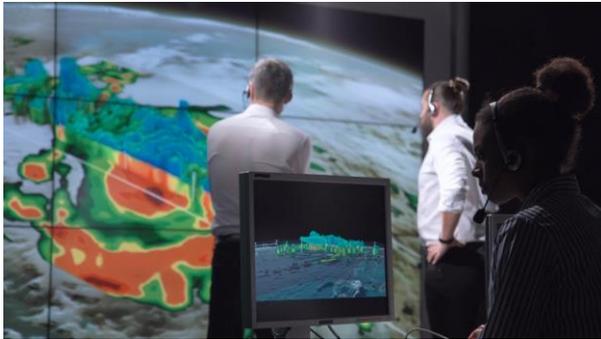
High performance computers



Autonomous Driving



Genomics



Climate Research



Vision Processor

Advanced AT&S substrates power the digital world

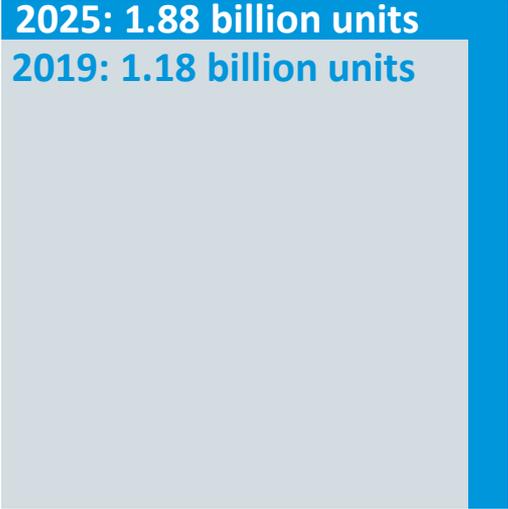
Global Data Volume:

- **2019: 40 Zetabyte**
- **2025: 175 Zetabyte**
→ (27.9% CAGR)

Global market leaders using ABF substrates

Global market leaders in microelectronics are driving the growth

High-end processor modules



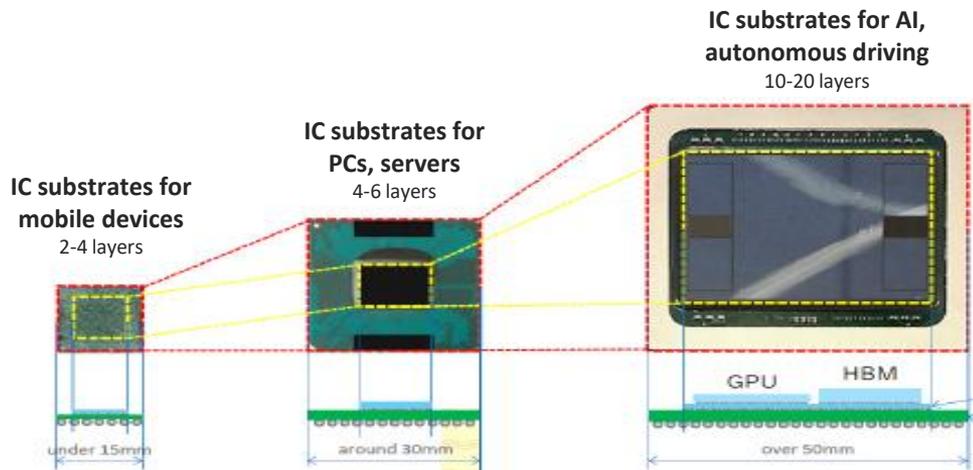
+8.1% CAGR



Source: Prismark 2020

High-end IC substrates

- ...have larger form factors due to more powerful processors modules
- ...have more build-up layers
- ...have a high speed interconnect between several **semiconductors** to provide high speed data transmission
- ...enable more complex packages than standard substrates
- ...reduce power consumption



High-end IC substrates market growth

2019: US-\$ 4.8 billion
2025: US-\$ 9.3 billion
 (+11.4% CAGR)

Source: Yole (2019)

Added Value for AT&S

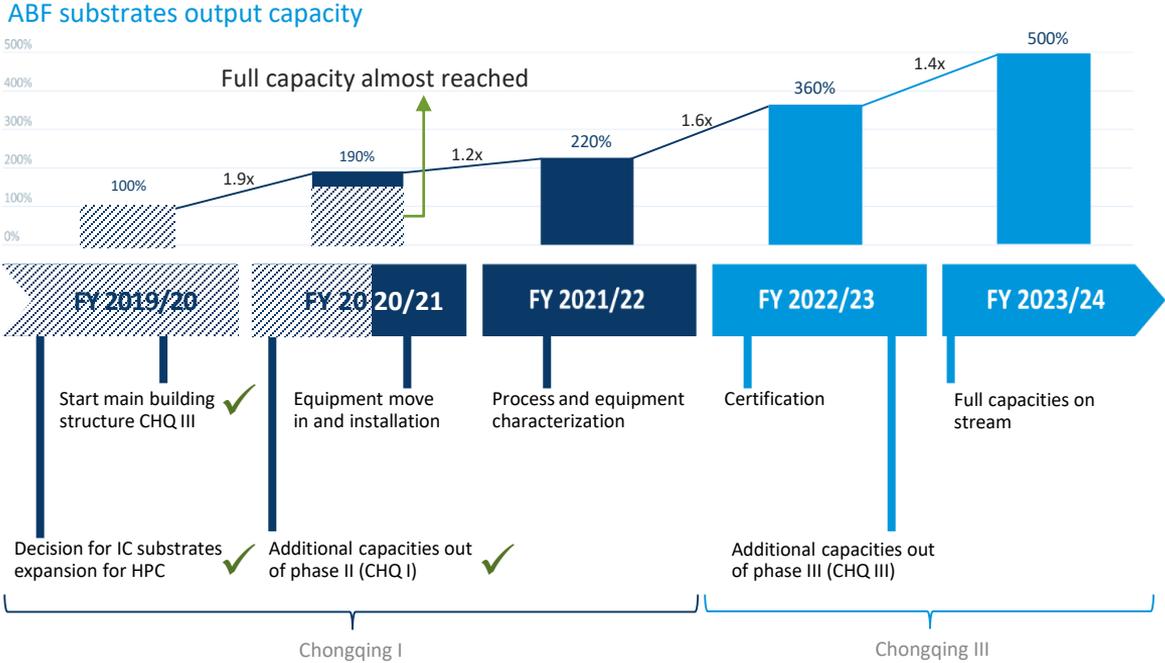
- ...push technology portfolio, profitability and revenue growth to a next level (**mid-term: revenue target of € 2 billion, EBITDA margin of 25-30%**)
- ...and thus **increase value for AT&S, its customers and shareholders.**

On the way to become one of the leaders in high-end IC substrates



IC substrates business in Chongqing I and III

Capacity expansion and technology investment pushed forward

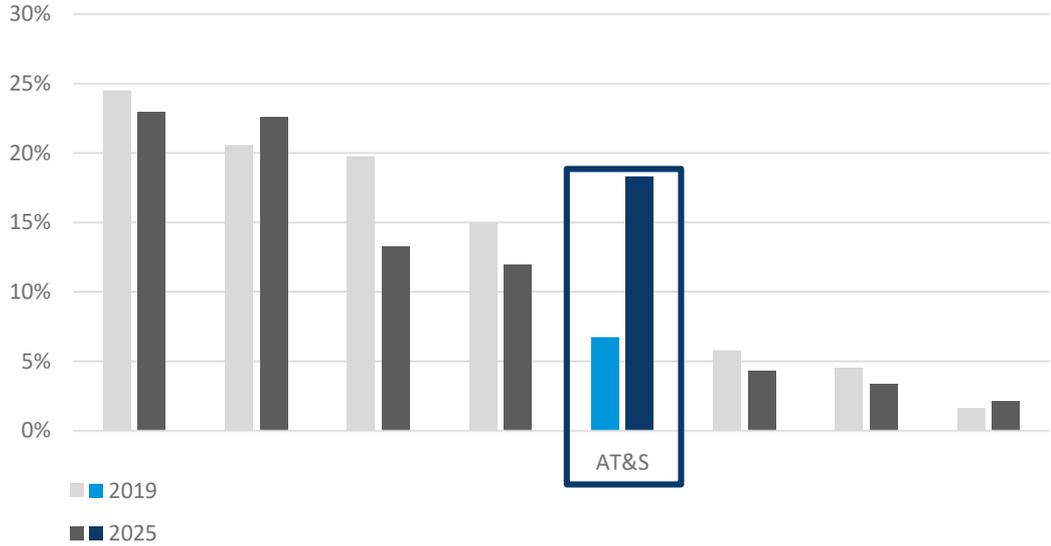


- CHQ I: Despite COVID-19 new capacities successfully ramped-up
- CHQ I: about 50% of additional capacity out of phase II will be reflected in revenues in 2020/21
- CHQ III: Roof closing already completed
- Covid-19 related construction delay of about six weeks
- Optimized infrastructure installation plan as well as the experience from CHQ I can compensate for the construction delay

Top-8 global ABF* substrates suppliers

AT&S expects to enter the top-league of ABF substrates suppliers and significantly increase output capacity by 2025

Output capacity by company (based on US-\$)



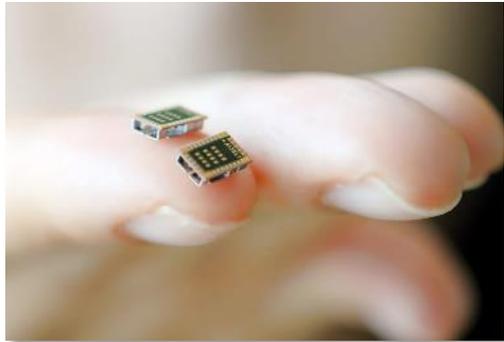
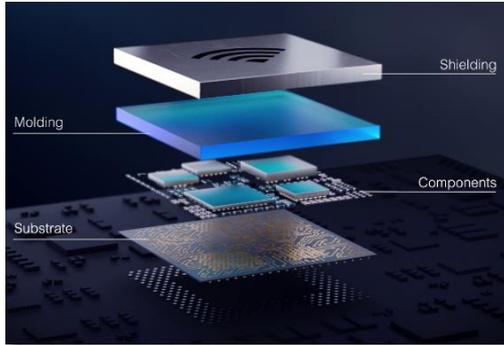
- ABF is the state-of-the-art production process for high-end IC substrates with high growth potential
- With current investments, AT&S will rise to the top three ABF suppliers globally by 2025

*ABF: Ajinomoto Buildup Film
 Source: Prismark, JMS, AT&S assessment

Module business



New opportunities through entry into the module market

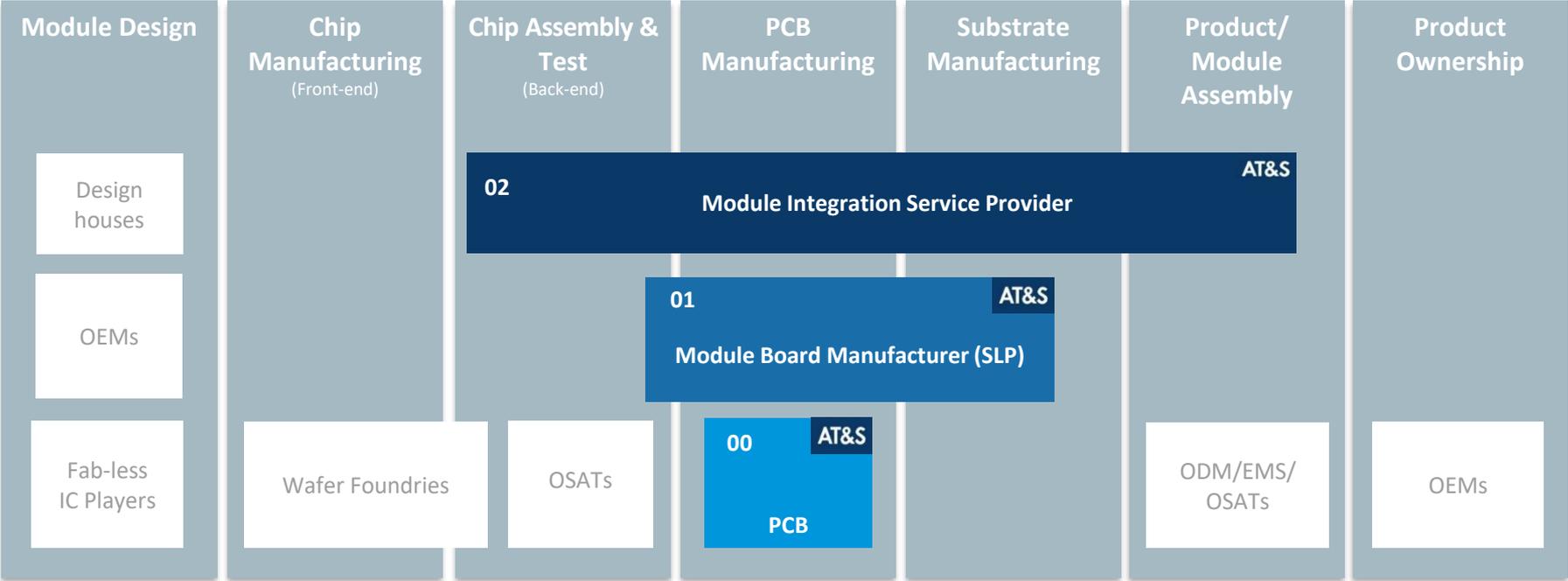


- Module integration market growing by **11% annually** until 2025
- Total investment Chongqing II in module business of about € 160 million
- Extension of application and customer portfolio
- Module PCB/substrates expected to reach ~5 – 10% of group revenues within the next two years
 - For FY 2020/21 already double-digit million revenue expected

Main applications include **PCBs for RF/5G modules, power modules and wearables**

Increase in **added value** through additional design, assembly and test services

AT&S solutions for the electronics industry





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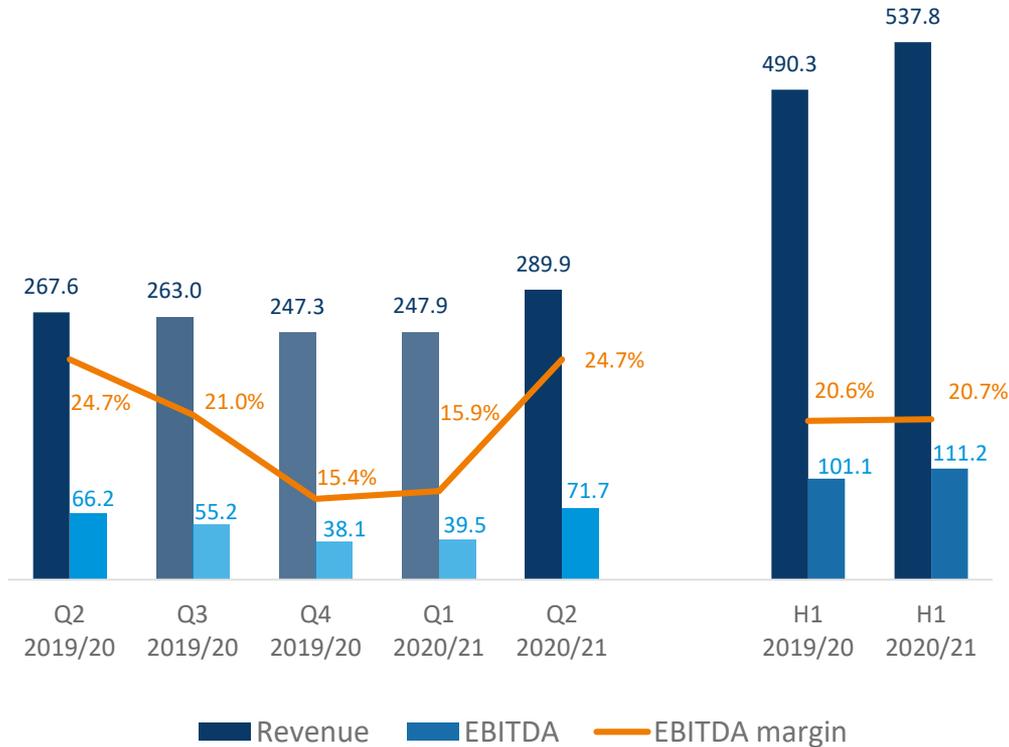
H1 2020/21 – FINANCIALS AND KEY FIGURES

Development in H1 2020/21

AT&S with positive performance despite challenging environment

- IC substrates business profits from successful ramp-up of new capacities in CHQ I and strong demand for ABF substrates
- Customer and application diversification compensates for delayed smartphone launches in Mobile Devices
- Decrease in vehicle sales weighs on Automotive segment, but sequentially improved
- Industrial segment profits from better product mix
- Medical & Healthcare with solid demand in Q2, but could not compensate for Q1 development

Revenue and EBITDA development

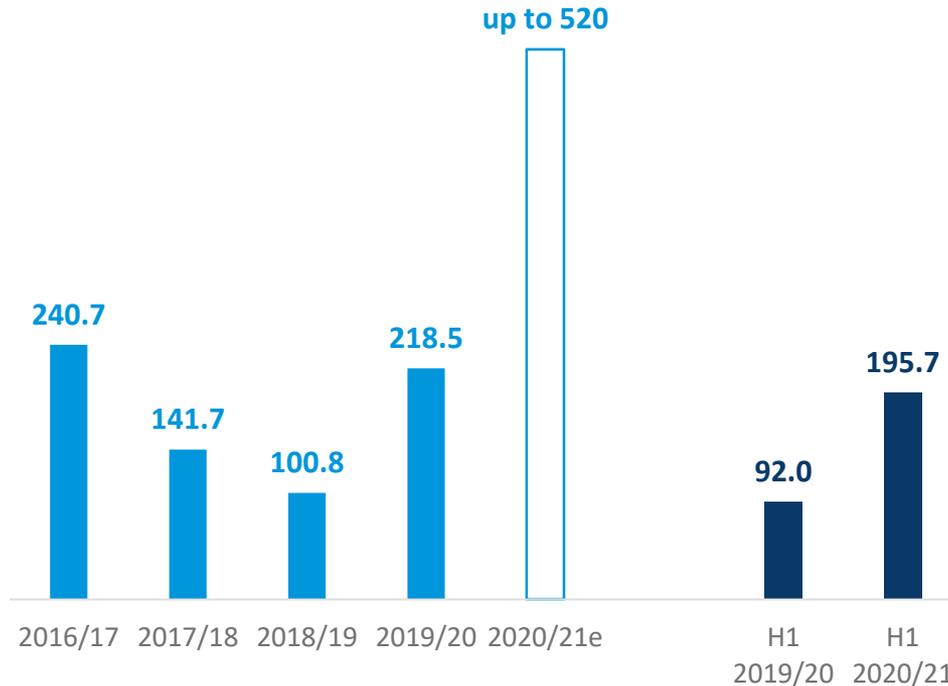


in € millions

- Strong revenue increase despite slightly negative currency effects
- EBITDA increased to € 111.2 million (PY: € 101.1 million) supported by higher revenue
- Future technology generations require higher R&D spending
- Net profit lower at € 14.7 million (PY: € 19.5 million) driven by currency effects and negative interest result
- Operating free cash flow at € -112.1 million (PY: € -29.8 million) due to higher investment activity

Net CAPEX

Investments in IC substrates and module business to be consistently continued



in € millions

- Investments in IC substrates and technology upgrades still driver for increase
- Capex outlook 2020/21:
 - 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

Solid finance structure

Net debt/EBITDA

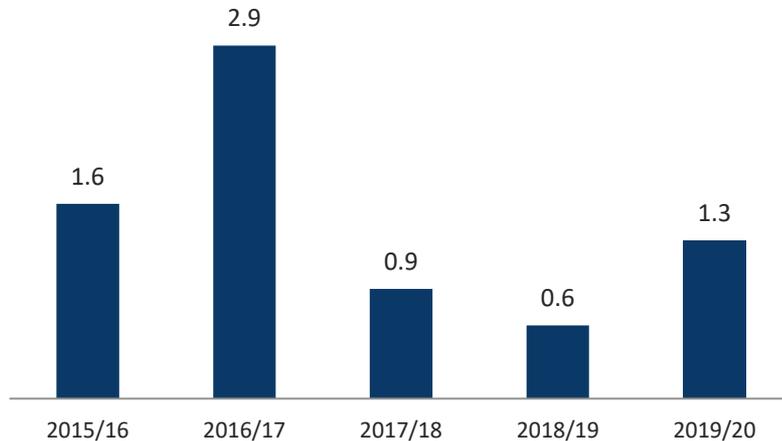
Existing funds and cash flow generation help to meet repayments and capex needs

< 3

Net debt / EBITDA target

951.7

million € of existing liquid funds*



in € million

*Liquid funds include unused credit lines of 425.5 million €; as of 30.09.2020



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OUTLOOK

Outlook for 2020/21

AT&S has managed crisis successfully and positively participates in intact trends

- Future trends not harmed by COVID-19 pandemic
- Expectations for customer demand for the current year
 - Demand for IC substrates remains strong according to current forecasts
 - Due to delayed product launches, demand for mobile devices shifted into FQ3, usual seasonality expected for FQ4
 - Automotive market shows signs of bottoming out, slightly positive trend visible
 - Industrial segment to remain at the level of previous year
 - Slight growth expected for medical applications
- FY 2020/21: Revenue growth of around 15% and an EBITDA margin in the range of 20 to 22%
 - Based on strong H1, a solid order situation in FQ3 and successful ramp-up of additional capacities in CHQ I
 - Assuming no major impact of COVID 19 on key markets, production facilities and supply chain
- Investment programme for FY 2020/21 unchanged

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 and robust financial structure

- Medium-term ROCE above 12%
- Net debt / EBITDA: < 3 / Equity ratio: > 40% / Average Finance costs: < 2%

Sustainability management

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



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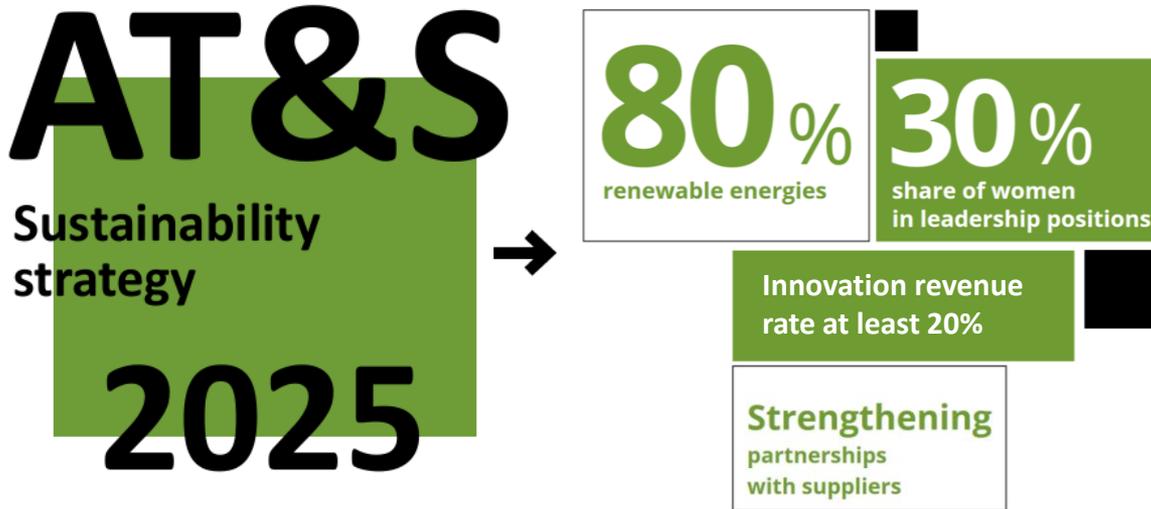
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ESG – DRIVING SUSTAINABILITY

Driving sustainability

High level of social, ecological and economic responsibility



Achievements in 2019/20

- Savings of 13.4 GWh or 10.9 kt of CO₂
- Share of women in leadership positions of 21%
- Innovation revenue rate of 30.8%
- 95% of suppliers signed our Code of Conduct

External ESG recognition of Best-in-Class performance

Rated by



Outperformer
2019 Overall Score: 77



Prime
2019 Corporate
Responsibility: B-



BBB
2020 ESG rating



Climate Change **Water Security**
2020: B- 2020: B
Management Management

Committed to



**RBA (Responsible
Business Alliance)**



**Responsible
Minerals
Initiative**



**SDGs (Sustainable
Development
Goals)**



**OECD
guidelines**



**ILO (International
Labour
Organization)**



**ISO (International
Organization for
Standardization)**

**Austrian
diversity charter**

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ANNEX



Market Segments & Product Applications



Computer, Communications, Consumer Appliances

Smartphones, Tablets, Wearables, Ultrabooks, Cameras



IC substrates

High Performance Computer, Microserver



Automotive

Advanced Driver Assistance Systems, Emergency-Call, X2X Communication



Industrial

Machine-2-Machine Communication, Robots, Industrial Computer, X2X Communication



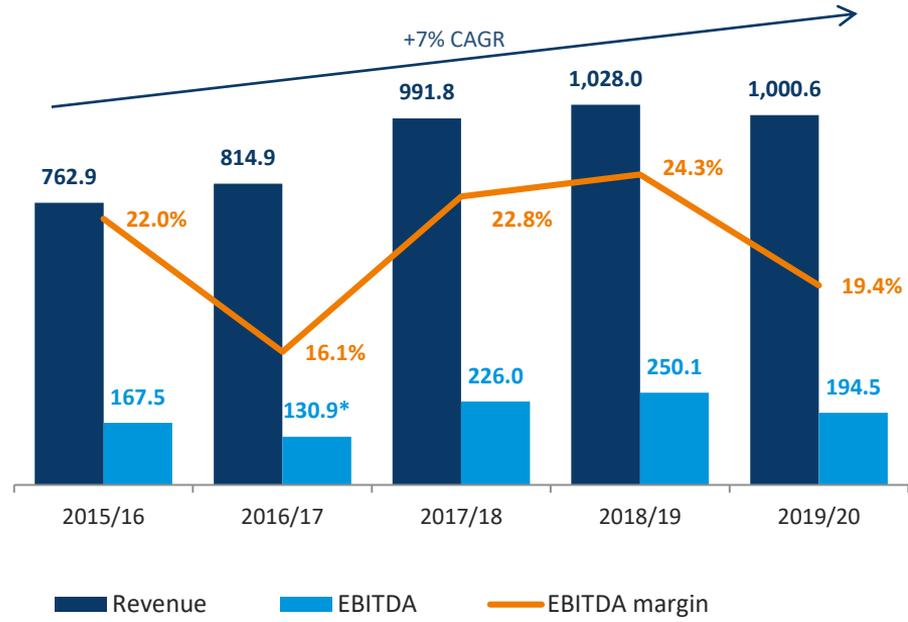
Medical

Patient Monitoring, Hearing Aids, Pacemaker, Neurostimulation, Drug Delivery, Prosthesis

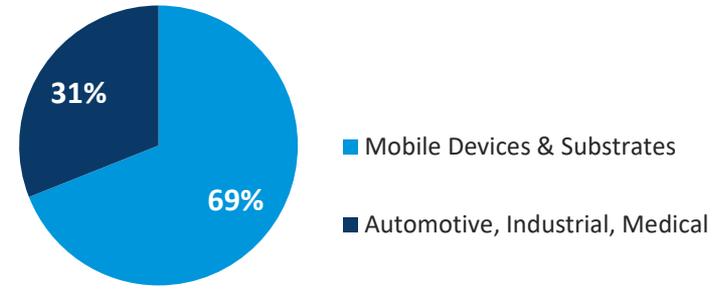
Segment Mobile Devices & Substrates

Segment Automotive, Industrial, Medical

Key facts FY 2019/20

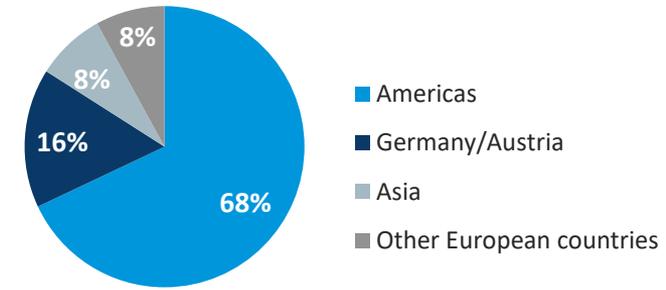


Revenue split by segment: FY 2019/20



Revenue split by customer: FY 2019/20

(based on customer's headquarters)



€ in millions

*Based on ramp-up effects for new plants in China

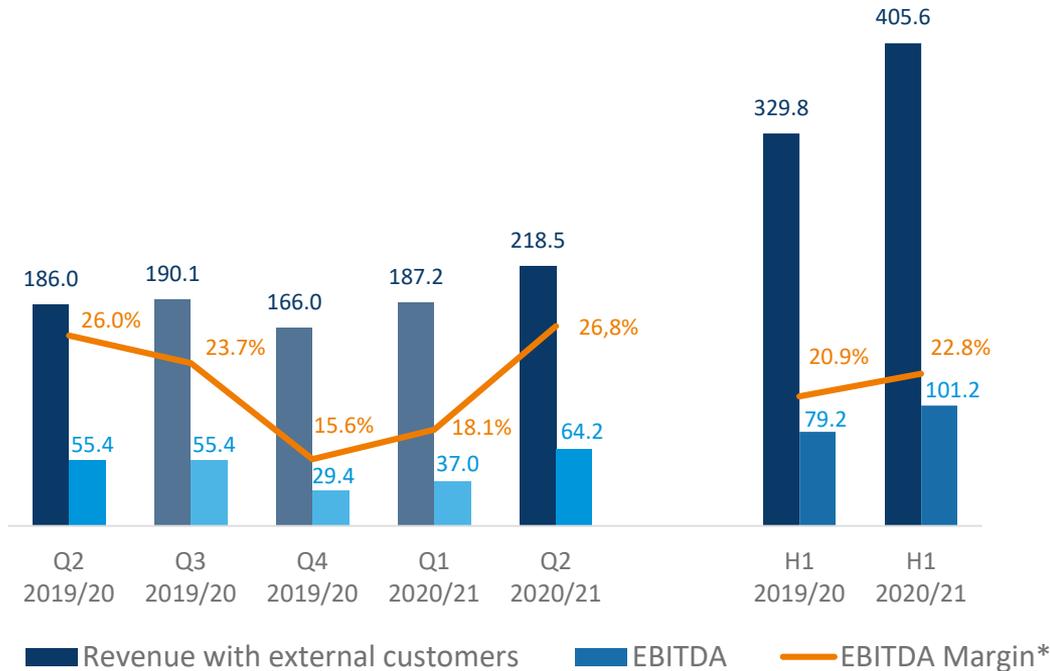
Market players in the high-end segment

Market position HDI Technology (2019)

Rank	Supplier	Country/Region	HDI (revenue in US-\$ millions)
1	Compeq	TWN	776
2	AT&S	AUT	736
3	TTM	USA	716
4	Unimicron	TWN	706
5	Tripod	TWN	508
6	Meiko	JPN	461
7	Zhen Ding	TWN	428
8	Korea Circuit	KOR	227
9	Founder PCB	CHN	222
10	CMK	JPN	220

Source: Prismark, AT&S Market Intelligence

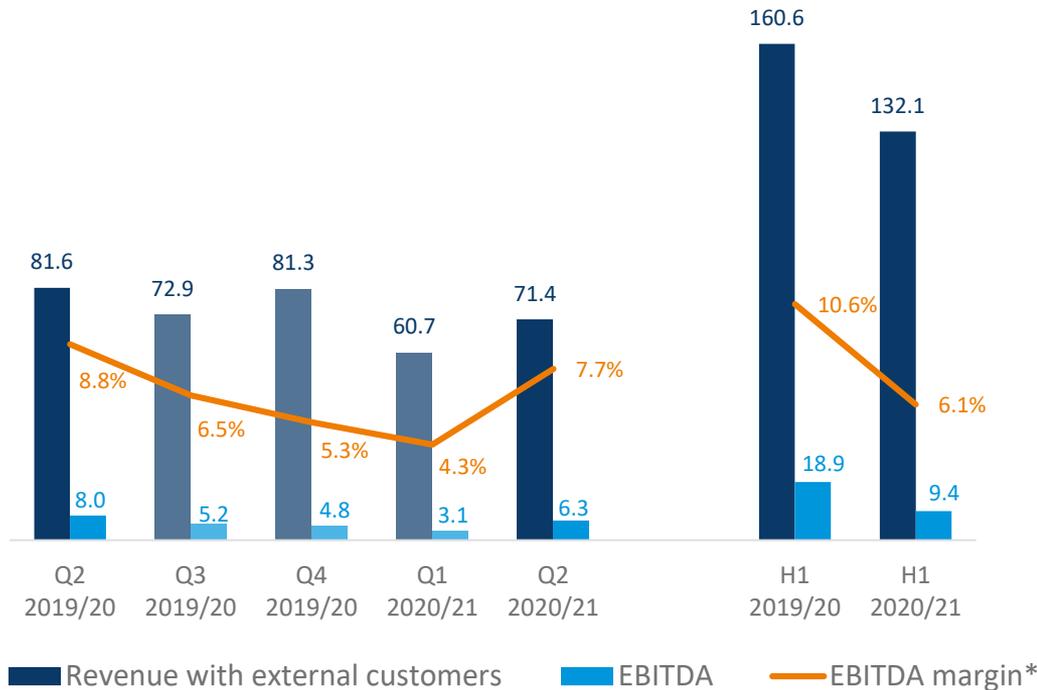
Business development – Mobile Devices & Substrates



- IC substrates performance above expectations driven by strong ABF demand and better product mix
- Customer and application diversification compensates for delayed smartphone launches in Mobile Devices

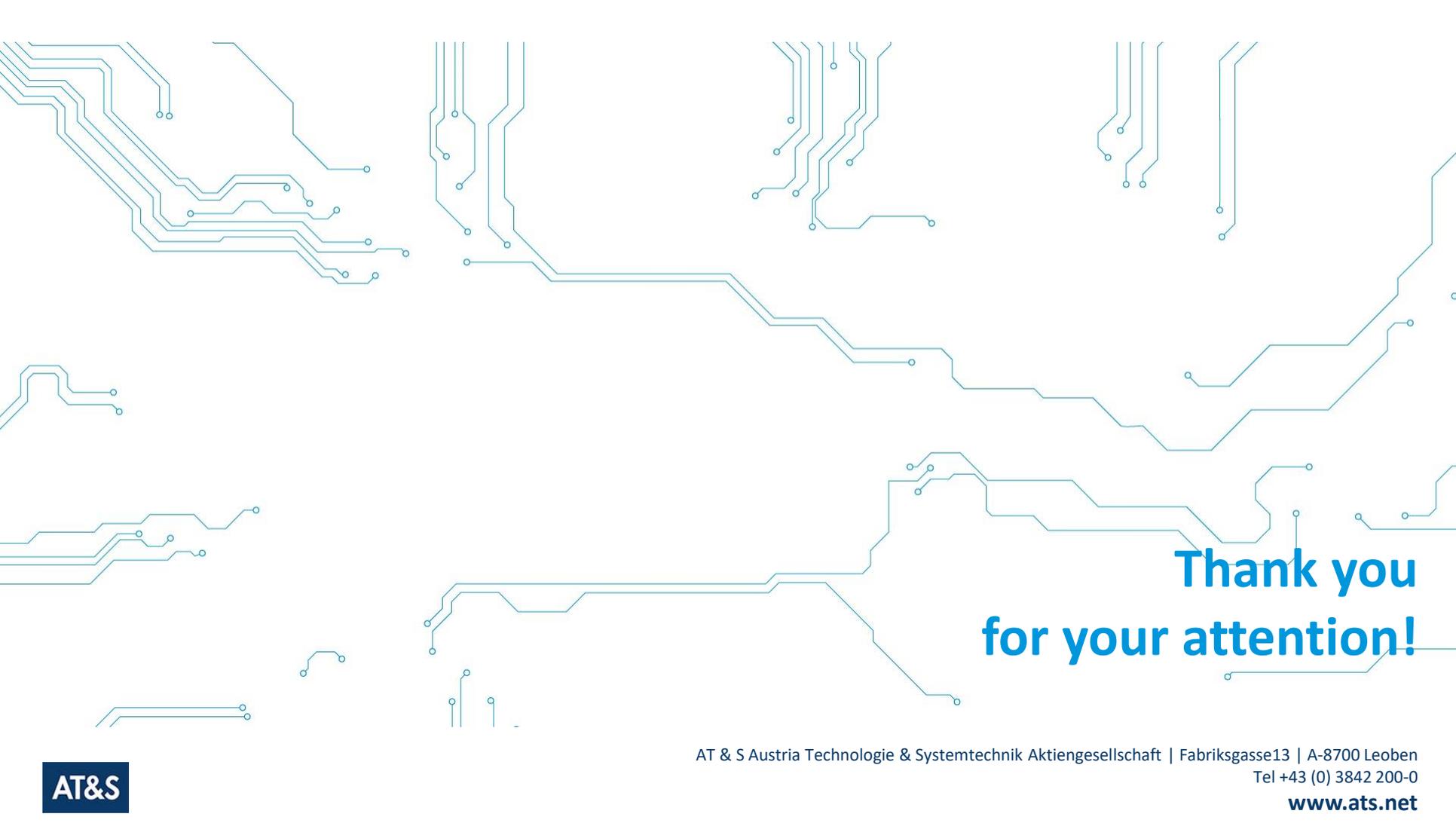
in € millions; *Margin calculated from total business unit revenue

Business development – Automotive, Industrial, Medical



- Industrial segment with satisfying development supported by better product mix
- Automotive segment impacted by decrease in vehicle sales, but sequentially improved
- Medical & Healthcare with flat revenue development in Q2
- Profitability lower due to decreased demand, underutilization of related production facilities and resulting lower fixed cost coverage

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



**Thank you
for your attention!**

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