

Ad hoc announcement dated 10 May 2005

AT&S result for the financial year 2004/05 as of 31 March 2005

AT&S increases turnover by 5% and profit before one-off effects by 75%

AT&S AG, Vienna, Austria, 10 May 2005

In the financial year 2004/05, AT&S exceeded the previous year's turnover by 5% and has now achieved with EUR 332.4 million the highest turnover in the company's history. In the fourth quarter, a turnover of EUR 83.2 million (+5.8%) was achieved.

The EBIT for the whole year reached EUR 26.8 million (-4.7%). Referring to the fourth quarter, the EBIT achieved EUR 5.5 million (-9%) as a result. The EBIT margin achieved 8% over the year as a whole.

The annual result before tax increased by 30% and came to EUR 32.7 million. In the fourth quarter, a pre-tax profit of EUR 5.3 million was achieved.

The net income rose in the 2004/05 financial year by 75% and achieved EUR 30.4 million. In the fourth quarter the result was EUR 5.6 million and was therefore 18% below the previous year's value.

The earnings per share for the financial year 2004/05 are EUR 1.21 (75%) before one-off effects.

In the financial year 2004/05, provisions of EUR 5.5 million had already been established for the relocation of the Fohnsdorf plant to Leoben-Hinterberg and were included as one-off costs. Taking these one-off costs into account, the EBIT for the entire year achieved EUR 21.3 million (6.4% EBIT margin), and the quarterly EBIT was EUR 2.1 million. The annual pre-tax result was EUR 27.3 million after one-off effects and the quarterly pre-tax result was EUR -0.2 million. The net income for the period for this financial year was EUR 26.7 million after one-off effects. The earnings per share after one-off effects were EUR 1.07.

AT&S's group tax rate after four quarters is 2.2%.

AT&S's net debt at the end of the financial year is EUR 24.9 million. As a result, the level of net indebtedness decreased to 11.3%.

Based on the results available, the board of management proposed to the General Meeting of Shareholders a dividend payout of 0.27 EUR (12%).

For the financial year 2005/06, the management expects an increase in sales of approximately 10% and the profit per share should be at least EUR 1 from today's standpoint.

In the past financial year, the Group's annual accounts were produced for the first time in accordance with International Financial Reporting Standards (IFRS) (US-GAAP before this year). More details about the transition can be found on the internet at www.ats.net.

Information and explanations of the issuer concerning today's ad-hoc memorandum:

Results in accordance with IFRS (in millions of euro, net earnings per share in euro):

	04/05	Margin	03/04	Margin
Total revenue	332.4		316.4	
Gross profit	54.8	16.5%	49.4	15.6%
EBITDA	71.7	21.6%	72.4	22.9%
EBITDA <i>after one-off effects</i>	66.2	19.9%		
EBIT	26.8	8.1%	28.0	8.9%
EBIT <i>after one-off effects</i>	21.3	6.4%		
Net income	30.4		17.4	
Net income after one-off effects	26.7			
EPS	1.21		0.69	
EPS after one-off effects	1.07			
Net debt	24.9		35.3	
Net gearing	11.3%		17.4%	

	Q4 04/05	Margin	Q4 03/04	Margin
Total revenue	83.2		78.7	
Gross profit	13.7	16.4%	15.1	19.2%
EBIT	7.6	9.1%	8.3	10.6%
EBIT <i>after one-off effects</i>	2.1	2.5%		
Net income	5.6		6.8	
Net income after one-off effects	1.9			
EPS	0.25		0.27	
EPS after one-off effects	0.11			

Review of the year 2004/05

AT&S's financial year 2004/05 was marked by three important factors. Growth in the end markets was stronger than expected, it was possible to compensate partially for the weak US dollar with hedging activities however this cost growth in turnover and AT&S was able to

implement important strategic decisions which will drive future growth.

New record in the area of telecoms

With over 640 million mobile telephones sold worldwide, the experts' estimates for 2004 were exceeded once again and 2005 has started much better than was expected. Thanks to the expansion in capacity in the Shanghai plant, AT&S has been able to profit from this boom and further consolidate its position with customers such as Nokia, Siemens, Motorola, Sony-Ericsson and RIM as well as acquire new customers such as TCL-Alcatel. Had the US dollar and the Asian currencies which are tied in to it not sunk further during the financial year, the increase in volume and in AT&S's turnover would have been much more obvious. As a result of foresighted currency hedging AT&S's results have exceeded expectations, but in order to be more secure against currency fluctuations, our presence in Asia must be further expanded.

Niche strategy for Europe is continued and intensified

Based on the weak dollar development expected in the medium term, it is particularly relevant for AT&S to continue its focus of Austrian factories on niches in Europe, where our Asian competitors are restricted. The relocation the factory in Fohnsdorf to Leoben-Hinterberg is one element of this strategy. This decision, which was made in March 2005, will enable AT&S to offer prototypes and quick turn-around products in optimal conditions and the company will be able to make annual savings of approximately EUR x million.

Expansion of capacity in Asia begun

In addition to a slight expansion in capacity in India, the financial year 2004/05 took place against a background of the expansion in capacity in the Shanghai I factory. The third and fourth production lines were installed and started up and now, as a result, the factory is working at full capacity and is the most profitable in the Group. In view of the rapid and decisive success of Shanghai I, AT&S's board of management decided in summer 2004 to build a second factory in Shanghai with a total surface area of 75,000m². Production in this new factory will begin in the second half of 2006.

Leading position in HDI microvia area expanded further

In the hi-tech segment of HDI microvia, AT&S is already one of the most important manufacturers in the world and earns 66% of its turnover from customers in the

telecommunications industry. In the coming financial year it is important for AT&S to acquire further customer segments in this area, an activity in which the sales office in Japan will play an important role. Not least because these markets, which are putting increasing price pressure on Japanese manufacturers are now opening up to foreign suppliers, in particular those manufacturing in China. AT&S's advantage as a European manufacturer with a production base in China in comparison to Chinese competitors is not to be ignored.

Prospects for 2005/06

Based on the company's very dynamic market development and its successful expansion in capacity, the management is looking at a growth in turnover of approximately 10% for the financial year 2005/06. The net earnings per share are expected to be at least EUR 1.

The presentation of results and the annual accounts for 2004/05 are available in an Excel sheet (excluding notes) from 8 a.m (CET) today on www.ats.net (Investors). The annual report will be available as a pdf document from mid-June 2005.

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