

Ad hoc Announcement

14/05/2008

Results for financial 2007/08 — year ended 31 March 2008

AT&S reports record sales in financial 2007/08, advances net profit for the year by 32% to new record high of EUR 41m. The recommended dividend is EUR 0.34 per share.

AT&S AG, Vienna, Austria, 14 May 2008

AT&S's sales of EUR 485.7m reached a new all-time high in financial 2007/08, up 4% on the previous financial year despite an 11% drop in the value of the dollar and a significantly lower volume of services business. At EUR 117.4m, fourth quarter revenues were up 7% on the same period in 2006/07.

Gross profit for the financial year grew by 25% to EUR 89.3m. The total for the fourth quarter (EUR 21.7m) was an impressive 48% higher than in the same period a year earlier. The gross margin climbed from 15.3% in 2006/07 to 18.4% in 2007/08, and from 13.4% to 18.5% in a comparison of fourth quarters.

EBIT for 2007/08 came to EUR 42.1m (up 29%), and the EBIT margin was 8.7% (2006/07: 7.0%). In the fourth quarter EBIT reached EUR 8.3m, a year-on-year increase of 91%. The EBIT margin advanced from 4.0% to 7.1%.

Profit before tax in 2007/08 was EUR 45.2m (up 41%), and EUR 8.9m (up 110%) in the fourth quarter.

Net income for the financial year climbed 32% to a new record high of EUR 41.3m, while for the fourth quarter it was EUR 8.0m (up 68%).

Net debt at 31 March 2008 amounted to EUR 156.3m (EUR 110.6m a year earlier), with net gearing at 69.2%. The increase in net borrowings of EUR 45.7m since 31 March 2007 is largely attributable to capital investment in further extension of the Shanghai plant, payment of dividends and the repurchase of own shares.

The Management Board of AT&S will recommend an increase in the annual dividend from EUR 0.31 to EUR 0.34 per share at the Annual General Meeting on 3 July 2008.

Outlook

AT&S is forecasting further increases in market share and thus expects growth to be sustained in financial 2008/09. Capacity expansion will proceed as planned at the third facility in Shanghai, and construction of a new works will get underway in Nanjangud, India. In the light of the current macro-economic risks arising from the financial crisis and the weakness of the US dollar, the Company is currently unable to give any precise guidance for the year.

Information and notes on this stock exchange announcement by the Company

Results in accordance with IFRS (in EUR m, earnings per share (EPS) in EUR):

Financial 2007/08 compared with financial 2006/07

	FY 07/08	Margin	FY 06/07	Margin
Total revenues	485.7		467.4	
Gross profit	89.3	18.4%	71.5	15.3%
EBITDA	79.8	16.4%	71.5	15.3%
EBIT	42.1	8.7%	32.6	7.0%
Net income for financial year	41.3		31.3	
EPS	1.83		1.28	
Net debt	156.3		110.6	
Net gearing	69.2%		50.2%	

Q4 2007/08 compared with Q4 2006/07

	Q4 07/08	Margin	Q4 06/07	Margin
Total revenues	117.4		109.6	
Gross profit	21.7	18.5%	14.7	13.4%
EBITDA	19.7	16.8%	12.9	11.8%
EBIT	8.3	7.1%	4.4	4.0%
Net income for fourth quarter	8.0		4.8	
EPS	0.37		0.21	

Notes to the results for financial 2007/08

A sixth successive year of revenue and earnings growth clearly confirms the correctness of AT&S's long-term strategy

AT&S is reporting year-on-year growth for the sixth year in a row, with a compounded average annual growth rate (CAAGR) for the period of about 10%. This success has been achieved in spite of an ever-weakening US dollar — at the start of 2001/02 one euro traded at about USD 0.88, and by the end of 2007/08 it was worth roughly USD 1.58.

Production capacity built up in Asia over recent years has played a major role in the AT&S success story. Last year the second facility in Shanghai came into operation, and work has begun on the ramp-up of the third facility. Net investment of EUR 102.9m in 2007/08 was chiefly attributable to the construction of addition capacity in China. Asia accounted for more than 50% of sales for the first time in 2007/08, so that the bulk of the costs were absorbed in dollar-linked Asia.

The effective tax rate for financial 2007/08 was 8.7%. Earnings per share were around higher 43% year-on-year, reaching a new record high of EUR 1.83.

At 31 March 2008 AT&S employed 6,335 people.

In 2007/08 Mobile Devices (formerly Telecoms) accounted for some 67% of sales. Industrial/Medical contributed 21%, and Automotive customers roughly 10%. Services (assembly, trading and design) made up 2% of total revenue.

Impact of US dollar on AT&S's earnings

Prices for a high proportion (about 67%) of the mobile devices business are dependent on the US dollar, as our competitors are almost exclusively from countries whose currencies are linked to it. AT&S has now established a significant proportion of its production for the mobile devices market in the extended US dollar area. Since the remaining currency exposures have been hedged, the impact of dollar exchange losses was largely confined to revenues and had a much reduced effect on earnings.

Share buy-back program

As at 31 March 2008, AT&S held 2,577,412 treasury shares, equivalent to about 10% of issued share capital. About 51% of the shares are in the free float.

The results and the Excel format interim financial statements (not including notes) for 2007/08 were posted today at 8am (CET) on the investors section of www.ats.net. The 2008 annual report will be available in pdf format from early June.

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