AT&S first choice for advanced applications

Conference Call Q1-Q3 2015/16

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Karl Asamer (CFO)
Elke Koch (IR/PR)

January 28, 2016
8.30 am CET
Agenda

- Highlights Business Performance
- Financials
- Outlook
Highlights

- Overall good demand in Q1-Q3; slight slow-down of demand in BU Mobile Devices & Substrates at the end of third quarter

- In Q1-Q3 2015/16 AT&S again outperformed the market: revenue up 19.4% to € 584.3m:
  - Peers showed only 1.5% growth in average in first nine months
    - Organic growth of € 37.0m / FX impact of € 57.9m (73.7% of revenue in non EUR currencies)

- EBITDA increase of 10.2% to € 140.2m
  - EBITDA includes positive FX effects of € 10.9m

- EBITDA margin 24.0% vs. 26.0% in Q1-Q3 2014/15
  - EBITDA margin decline is based on very high benchmark in Q1-Q3 2014/15, which was characterized by a one-off payment and the extraordinary high demand in BU Mobile Devices & Substrates

- Cash flows from operating activities before changes in working capital up 6.6% to € 123.4m
Highlights

- Net profit increased by 19.6% to € 60.2m
- EPS increased from € 1.29 to € 1.55
- Chongqing IC substrate plant:
  > Certification in final phase – last tests for fine adjustments of single parameters; Certification shortly expected
- Chongqing substrate like PCB plant:
  > Infrastructure completed, equipment for first production line is moving in
- Back to “normal” in Q4 with certain seasonality expected - including Chinese New Year break
- Guidance for FY 2015/16 confirmed
Revenue

Total revenue

CAGR 8.1%

(€ in millions)

2010/11 2011/12 2012/13 2013/14 2014/15

488 514 542 590 667

Q1-Q3 2014/15 Q1-Q3 2015/16

489 584

+19.4%

Split revenue Q1-Q3 2015/16:
Business Unit

Mobile Devices & Substrates: 40%
Automotive, Industrial, Medical: 60%

Split revenue Q1-Q3 2015/16:
Customer Region

Germany/Austria: 57%
Other European countries: 23%
Asia: 14%
Americas: 6%
Revenue* by Segment and Quarter

Mobile Devices & Substrates
Revenue* increase of 26.6% compared to the same period last year (€ 351.5m in Q1-Q3 2015/16 vs. € 277.6m in Q1-Q3 2014/15)

- Overall good demand for mobile applications, but slightly weaker demand in Q3
- Increase is based on high capacity utilisation, a high-end product mix and positive FX effects

Automotive, Industrial, Medical
Revenue* increased by 9.4% year on year (€ 230.0m in Q1-Q3 2015/16 vs. € 210.3m in Q1-Q3 2014/15)

- Continuous strong demand for automotive applications, particularly Advanced Driver Assistance Systems.
- Higher demand in medical; industrial segment slightly below last year’s high level in the first nine month

* Revenue from external customers
Operating Business Performance

EBITDA increase based on high capacity utilisation, continuous high-end product mix as well as positive FX effects of € 10.9m. EBITDA margin decline to 24.0% is based on very high benchmark of 26.0% in Q1-Q3 2014/15, which was characterized by one-off payment and the extraordinary high demand in BU Mobile Devices & Substrates.
**CAPEX**

CAPEX reflects investments in Chongqing project (whereof € 122.1m) and technology investments in existing locations.

**STAFF***

The increased headcount is primarily based on the Chongqing project.

* incl. leased personnel, FTE, average for the period
Project Status IC Substrates - Chongqing I

(as of 31/12/2015)

- Investment as at 31/12/2015: € 195.6m\(^1\)
- Certification in final phase, fine adjustment of parameters; certification expected shortly
- Start of production for first production line still expected for 4th quarter 2015/16 (Jan 01 – March 31, 2016)
- Starting Q4 2015/16: impact of ramp-up costs

\(^1\) CAPEX for tangible fixed assets
Investment as at 31/12/2015: € 45.3m

- First sample quantities of SLPs are already being produced in plant Shanghai
- Infrastructure SLP in Chongqing is being completed, equipment is ordered
- Start of production of first production line is scheduled for second half of calendar year 2016

1) CAPEX for tangible fixed assets
Highlights Business Performance

Financials

Outlook
### Financials Q1-Q3 2015/16


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<tr>
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<tbody>
<tr>
<td>Revenue</td>
<td>584,333</td>
<td>489,416</td>
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<tr>
<td>produced in Asia</td>
<td>81%</td>
<td>79%</td>
</tr>
<tr>
<td>produced in Europe</td>
<td>19%</td>
<td>21%</td>
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<tr>
<td>EBITDA</td>
<td>140,233</td>
<td>127,284</td>
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<tr>
<td>EBITDA margin</td>
<td>24.0%</td>
<td>26.0%</td>
</tr>
<tr>
<td>EBIT</td>
<td>76,074</td>
<td>70,811</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>13.0%</td>
<td>14.5%</td>
</tr>
<tr>
<td>Finance costs - net</td>
<td>(2,664)</td>
<td>(4,376)</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>(13,182)</td>
<td>(16,097)</td>
</tr>
<tr>
<td>Profit for the period</td>
<td>60,228</td>
<td>50,338</td>
</tr>
<tr>
<td>Cash Earnings</td>
<td>124,292</td>
<td>106,751</td>
</tr>
<tr>
<td>EPS in €</td>
<td>1.55</td>
<td>1.29</td>
</tr>
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</table>

Revenue increase of 19.4%: 7.6% from organic growth and 11.8% from FX effects.

EBITDA increase of 10.2% based on high capacity utilisation and good product mix; Positive FX effects of € 10.9m included.

EBITDA margin decline in comparison to very high benchmark of 26.0% in Q1-Q3 2014/15

Higher interest expenses overcompensated by higher interest income and capitalised interests for qualified assets.
Financials Q1-Q3 2015/16

<table>
<thead>
<tr>
<th>€ in thousands (unless otherwise indicated)</th>
<th>31.12.2015</th>
<th>31.03.2015</th>
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<tbody>
<tr>
<td>Non-current assets</td>
<td>836,746</td>
<td>712,757</td>
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<tr>
<td>Current assets</td>
<td>639,343</td>
<td>508,055</td>
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<tr>
<td>Equity</td>
<td>599,649</td>
<td>604,358</td>
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<tr>
<td>Non-current liabilities</td>
<td>548,189</td>
<td>413,070</td>
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<tr>
<td>Current liabilities</td>
<td>328,251</td>
<td>203,384</td>
</tr>
<tr>
<td>Total assets</td>
<td>1,476,089</td>
<td>1,220,812</td>
</tr>
<tr>
<td>Net debt</td>
<td>192,420</td>
<td>130,510</td>
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<tr>
<td>Net gearing</td>
<td>32.1%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Net working capital</td>
<td>81,271</td>
<td>95,319</td>
</tr>
<tr>
<td>Net working capital per revenue</td>
<td>10.4%</td>
<td>14.3%</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>40.6%</td>
<td>49.5%</td>
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**Improvement of net income was overcompensated by negative FX effects**
## Financials Q1-Q3 2015/16

<table>
<thead>
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<tbody>
<tr>
<td><strong>STATEMENT OF CASH FLOWS</strong></td>
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<tr>
<td>Profit for the period</td>
<td>60,228</td>
<td>50,338</td>
</tr>
<tr>
<td>Non cash bearing of profit or loss</td>
<td>63,195</td>
<td>65,442</td>
</tr>
<tr>
<td>Changes in Working Capital</td>
<td>6,475</td>
<td>(20,406)</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>129,898</td>
<td>95,374</td>
</tr>
<tr>
<td>Cash flow from investing activities</td>
<td>(175,667)</td>
<td>(130,433)</td>
</tr>
<tr>
<td>Cash flow from financing activities</td>
<td>204,117</td>
<td>16,838</td>
</tr>
<tr>
<td><strong>Change in cash and cash equivalents</strong></td>
<td>158,348</td>
<td>(18,221)</td>
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</tbody>
</table>

- **Decrease in Net Working Capital due to improved customer payment term.**
- **Continuous planned high CAPEX based on investments in Chongqing and continuous upgrades of existing production facilities.**
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Outlook FY 2015/16 confirmed

- Management expects the satisfactory capacity utilisation to continue for the financial year 2015/16 provided that the macroeconomic environment remains stable and customer demand continues at a good level.

- On the basis of the organic growth in the first nine months, an expected seasonality in the next three months, management confirms its revenue guidance of EUR 740 million.

- Influenced by the expected costs of the start-up of the new plants in Chongqing, the EBITDA margin should exceed 19% (guidance at the beginning of the financial year: 18-20%). This includes an EBITDA margin in the core business at a similar level of the previous year.
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Q&A Session