

AT&S advances by leaps and bounds

Increased turnover, profit doubled, massive investments in new technologies

Vienna (May 6, 2004) Once again AT&S has exceeded expectations. In the past fiscal year, turnover increased substantially and profits were more than doubled. AT&S boss Willi Dörflinger has already announced further growth this year, as well as massive investment in the new 2n2 technology. A fourth production line will be constructed in Shanghai.

AT&S will invest a total of fifty million Euro towards growth and the technological updating of the six production plants this year. 30 percent of this will go into the new 2n2 technology: "This will enable us to further our technological headstart and secure our employees' workplace. In Austria, we're reinforcing our production of flexible and rigid-flexible circuit boards, as well as the cross-over and thick-copper technologies. Our goal here is a strongly increased participation in the automotive and industrial sectors," explains AT&S CEO Willi Dörflinger.

In the field of telecommunications, the new 2n2 technology will receive heavy investment. This special technology is marked by more laser-layers, as well as the higher complexity and functionality of end-products. "Step by step we will shift to 2n2 production at our Leoben and Shanghai plants. The demand from our international customers is enormous," says Dörflinger. With Nokia, Siemens, Motorola and Sony-Ericsson, AT&S now supplies to four of the five largest mobile phone manufacturers in the world. These four represent close to 70 percent of the world market in mobile telephones.

In order to meet an increasing demand, the Shanghai plant will open a fourth production line (laser-technology). This line should be completed by October this year. The Shanghai plant would then be 50 percent equipped for the new 2n2 technology. The Asian market, which is still demonstrating extraordinary growth, would then be supplied by the plants in China and India. The decision for a second plant in Shanghai remains open, according to the AT&S CEO. "We are currently in an evaluation-phase, but time is pressing the issue."

A clear increase in turnover and profit was seen in the last business year. Turnover, by annual comparison, rose to 316.4 million Euro, an increase of 14 percent. Profit exceeded all expectations by climbing to 17.9 million Euro, an increase of 104 percent, by annual comparison. AT&S CFO Harald Sommerer: "Despite the weak dollar, we have greatly exceeded our own expectations. An optimal product-mix, the tax situation in China, the internal cost-cutting measures, as well as the excellent production capacity at our plants, were the keys to this great result."

For the current business year, a turnover increase of at least ten percent is expected. This result should grow "overly proportional". Sommerer: "In China, we don't have to pay any taxes on profit for the first five years. This, of course, affects the concern's results heavily."

The AT&S board of directors recommends a dividend at around 0.24 Euro for the Annual General Meeting on July 6 in Leoben. Compared to last year, this would mean an increase of two cents. According to Dörflinger, a "clear signal" needs to be sent to shareholders and simultaneously the "policy of continual dividends" would be advanced.

Further Information:

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