

Press release

10/05/2011

AT&S ends the financial year 2010/11 with strong quarterly results and year-on-year growth of about 30 %

A continuously strong demand for high-end printed circuit boards in mobile devices in particular, but also from industrial and automotive customers, has helped AT&S Group to achieve some of the best results in its history. The fourth quarter of the AT&S financial year has always been traditionally weaker owing to the Chinese New Year, so this year's record sales of about EUR 123 million – compared with around EUR 100 million in the fourth quarter of 2009/10 – has attracted favourable attention. The AT&S group posted total sales of EUR 488 million for the financial year just ended, surpassing the previous record of EUR 486 million in pre-crisis 2007/08.

Earnings before interest and tax (EBIT) for the financial year 2010/11 (adjusted for non-recurring expenses) came to EUR 49.2m, with earnings per share amounting to EUR 1.51. "Continuing strong demand for high-end printed circuit boards in all of our business lines combined with high capacity utilisation at our production facilities in Asia and Austria contributed to our gratifying results for the fourth quarter, and the very good results for the year," explains CEO Andreas Gerstenmayer. "We are certain that the trend towards devices with more and more functions and an ever increasing role for electronics systems in our lives will continue. So we expect to see a rise in demand for high value HDI printed circuit boards for new applications in automotive and medical technologies. If we are to build on our strong market position (number two worldwide) in the HDI (high density interconnect) segment we will need to ensure that we continue to keep pace with our existing customers' growth while providing additional capacity for new customers. AT&S Group was one of the first in the printed circuit board industry to identify the global economic upturn as sustainable, and we have reacted by investing heavily in expanding capacity in India and China. We have also acquired land for a new production facility in Chongqing, China. Our successes confirm the correctness of our approach, as can be seen from our impressive results." he concludes.

The results in detail:

	Q4 2010/11	Margin	Total 2010/11	Margin
Sales revenues	123.1		487.9	
Gross profit	18.2	14.8%	89.8	18.4%
EBIT	8.9	7.3%	49.2	10.1%
Profit before income taxes	6.9	5.6%	43.3	8.9%
Consolidated net income	5.5	4.4%	35.0	7.2%
Earnings per share**	0.23		1.51	
No. of shares outstanding (average)***	23,323		23,323	

EUR m

* EUR m, adjusted for non-recurring items

** EUR

*** Thousands of shares

The results also show that AT&S has a critical competitive edge over its competitors in Asia: the plant in Shanghai is one of the most modern of its kind, particularly in terms of automation. “Our strategy of insisting on automation and the highest possible quality in Asia as well as in Europe has paid off. We have been the least affected by rising wage costs in China, and have even acquired a number of new customers in Asia,” notes Gerstenmayer.

The combination of rapid capacity expansion and ongoing development of new technologies is the key to the Group’s success, and both aspects have been the focus of intense activity in recent months. “It is essential for the future of AT&S that we continue to extend our innovation leadership. The launch of our ECP® technology in cooperation with a leading international manufacturer of semiconductors is a highly promising first move into this highly lucrative growth market. But this is just the start. We are currently working to slash development times still further so that we can introduce new technologies to the market even more rapidly. I firmly believe that our innovative technologies will facilitate new designs and functionality and, in turn, the development of new applications – especially in the mobile phone segment,” says Gerstenmayer.

AT&S targets tablet market

AT&S sees enormous potential for growth in the tablet market. Mobile telephone manufacturers are now following in the footsteps of computer manufacturers with their own products in a trend that was doubtlessly started by e-books. The global tablet market amounted to 18 million units sold in 2010, and a threefold growth is expected over the next few years. Based on current figures, the latest projections point towards unit sales of about 150 million for 2015. “The tablet market holds major potential for us, too. We have demonstrated our global market leadership in this technology in the smartphone market,” Gerstenmayer explains. “By focusing on our core competencies we are well positioned to use our innovative and qualitative edge to the best effect among our existing mobile devices customers. We also aim to acquire new customers who are entering the lucrative tablet market. The twin advantages of our experience and ultra-modern technology in China provide the ideal starting point for exploiting the high potential for growth offered by this market.”

The general trend towards smartphones has seen this type of device establish itself very quickly as the handset of choice in the global market. The introduction of the Long Term Evolution (LTE) mobile telephony standard and the boom in the legal market for electronic books will bring with it further growth in demand for compatible applications, which will require highly integrated multilayer printed circuit boards. With this in mind, Panasonic Electronic Devices and AT&S have undertaken to work together closely on the development of printed circuit board technologies such as any layer interstitial via hole (ALIVH®). ALIVH® offers another option for meeting future requirements in all segments, including the tablet market.

AT&S – a model for sustainable use of resources

AT&S is one of the first printed circuit board manufacturers in the world to decide to measure and publish its global CO₂ footprint, making it a pioneer in the industry. “In the financial year just ended, AT&S successfully cut CO₂ emissions from 55kg/m² to just over 53kg/m². The Group is also the first printed circuit board manufacturer to participate in the Carbon Disclosure Project, underlining its commitment to implementing its sustainability strategy for the economical use of resources.

About AT&S

AT&S Austria Technologie & Systemtechnik Aktiengesellschaft (AT&S) is European market leader and one of the world's strongest-performing printed circuit board manufacturers. AT&S is especially well positioned worldwide in the high-tech market segment for HDI microvia printed circuit boards, which are chiefly used in mobile devices. The Group is also highly successful in the automotive printed circuit board market, and in the industrial and medical technology sectors. As an international growth enterprise, AT&S has a global presence, with three production facilities in Austria (Leoben, Fehring, Klagenfurt) and one each in India (Nanjangud), China (Shanghai) and Korea (Ansan, near Seoul). AT&S is part of a global R&D network and participates in numerous projects and joint ventures involving leading Austrian and international research institutions and electronics companies.

For more information visit www.ats.net

Press contact

Martin Theyer, Director Strategy Development & Communication
AT&S Austria Technologie & Systemtechnik AG
+43 3842 200-5909, m.theyer@ats.net, www.ats.net