

Press release

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AT&S – results for first half of the financial year 2010/11

AT&S's first half-yearly results underline the Group's positive performance worldwide. Record revenues of almost EUR 243 million (m) and an EBIT margin of over 10% in the first half year – despite unfavourable exchange rate movements – reflected high capacity utilisation in all AT&S plants. Earnings of Cents 82 per share for the first half-year were the result. Capital investment continued to rise, in line with the rapid expansion of capacities in China and India. There was also a technical triumph to report: AT&S is one of the first printed circuit board manufacturers to introduce a new method of embedding active and passive electronic components (ECP®) in series production and can therefore demonstrate their leadership in innovation.

Earnings for the second quarter rose again – up 13% in comparison with the first quarter, and 41% higher than a year ago. Earnings before interest and tax (EBIT) for first half of 2010/11 (adjusted for non-recurring expenses) came to EUR 25.5m, resulting in earnings per share of some EUR 0.82. The rapid expansion of capacity in China and India, together with the strengthening of the euro against the dollar, pushed up the gearing ratio to slightly more than 72%, which is still significantly lower than the long-term target of 80%.

EUR m	YTD 2010/11	Margin	Quarter 1 2010/11	Margin
Sales revenues	242.7		113.9	
Gross profit	46.1	19.0%	19.8	17.4%
EBITDA*	49.2	20.3%	21.9	19.2%
Operating profit*	25.5	10.5%	10.1	8.9%
Profit before income taxes	24.5	10.1%	10.1	8.8%
Consolidated net income	19.1	7.9%	7.57	6.6%
Earnings per share (EUR)**	0.82		0.33	
No. of shares outstanding (average)***	23,323		23,323	

in EUR million

* in EUR million excl. non-recurring items

** in EUR

*** in 1,000 shares

“The figures are beginning to reflect our concentrated efforts over the last 6 months – our job now is to ensure that those successes are sustainable,” explains CEO Andreas Gerstenmayer. “We are watching market developments and the global economy very closely, in order to be prepared for any changes.” As a producer of high-tech printed circuit boards, the AT&S Group will continue to emphasise quality, innovation and sustainability.

During the second quarter of 2010/11 AT&S became one of the first producers worldwide to apply ECP® technology in series production. This sophisticated high-value-added technology makes possible the efficient miniaturisation of electronic devices while at the same time enhancing their performance. As smaller and multifunctional devices, the products of the future require even more economical use of space and more complex technologies.

In recent months the AT&S Management Board has also devoted considerable attention to selecting the appropriate strategy for photovoltaics. “Developments in the sector combined with our own analysis have led us to conclude that for AT&S the most interesting aspect is the production of backsheet foils, which are used in the manufacture of back-contacted solar cells,” says Gerstenmayer. Production of these solar cells has already started, and AT&S’s backsheet contact foils are an important component of the new technology. Thanks to the increased efficiency and space-saving advantages of the technology, the completed solar cells can be usefully employed where surface areas are the limiting factor, as in the case of buildings.

AT&S is concentrating entirely on its core competences as a high-tech supplier, and has decided against series production of standard modules, where significant overcapacity, plummeting prices and a clear market advantage for competitors in Asia are already recognisable. AT&S’s know-how is in demand for the production and further development of backsheet contact foils: high-quality production, continuing, unbroken innovation and efficient implementation of novel technologies.

In addition to technological leadership, AT&S attaches great importance to sustainability. “The efficient and sustainable use of resources is the key to our long-term business success,” says Gerstenmayer. “Using raw materials and energy efficiently is not only a social must; in the medium-term it is what underwrites the Group’s ability to remain competitive. The AT&S Group has come a long way: in the last 12 months alone, CO₂ output was reduced from 55 to 52 kg/m², and a substantial cut in energy consumption from 81 to 75 kWh/gross m² has been achieved.

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 a vigorous and growing international 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).

For more information visit www.ats.net

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