

Press Release

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AT&S exceeds expectations with record quarter and raises forecast for year

Product mix and new business areas bring record sales

(Vienna) – With revenues of EUR 105m and profit of EUR 6.7m, the first quarter of 2006/07 was better than expected. The forecast for the year has been revised upwards.

For the first time in its history, AT&S – Europe's largest manufacturer of printed circuit boards and one of the world's most successful – broke through the barrier of one hundred million euro sales in a quarter, with revenues of EUR 105m. This was 17% up on the same period last year. Profit for the quarter was also better than expected, advancing by about 5% to just under EUR 7m.

"We are more than satisfied with this quarter," said AT&S CEO Harald Sommerer, of the results. "We have exceeded all expectations, despite the start-up costs for the second facility in China and the initial consolidation of Tofic of Korea." One of the main reasons for this exceptional performance is that, while demanding, employing the latest technologies clearly sets AT&S apart from the competition and enables it to command higher prices. "We will continue to benefit significantly from our technology lead in the coming quarters too and the 47% increase in profit before tax is confirming the positive trend," says Harald Sommerer, with optimism.

In addition to its core business of manufacturing printed circuit boards, AT&S has also recorded initial successes in its new Trading and Assembly operations. It was already apparent in the first quarter that the new operations were favorably received by the market. "The advantage of these operations is that capital expenditure is lower than for new production facilities. In effect, these are additional services offered to our customers and the margins are absolutely

satisfactory," explains AT&S Chief Financial Officer Steen Hansen. Current year orders already secured for Trading and Assembly are considerably higher than originally expected.

The ramp-up of the second Shanghai facility in August will allow AT&S to provide the market with additional capacity and further improve its competitiveness globally.

The exceptional first quarter and extremely positive outlook for the coming months has led AT&S Management to revise the forecast for the year: Revenues are now budgeted to improve to 470m (originally 455m) year-on-year, and earnings per share are forecast to be EUR 1.15 (originally EUR 1.10).

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