

ARTICLES OF ASSOCIATION

of AT & S Austria Technologie & Systemtechnik Aktiengesellschaft

I.

General Provisions

§ 1

Company name, Registered office and Duration of the Company

1. The registered Company name of the Stock Corporation (*Aktiengesellschaft*, AG) is AT & S Austria Technologie & Systemtechnik Aktiengesellschaft.
2. The Company's registered office is in Leoben. The Company shall be entitled to establish branches in Austria and other countries.
3. The Company shall be established for an indefinite period of time.

§ 2

Objects of the Company

1. The Company's objects shall be:
 - a) development and manufacturing of electronic parts, components, modules and devices;
 - b) sale of the products specified under letter a using the designation AT & S and AUSTRIA TECHNOLOGIE & SYSTEMTECHNIK;
 - c) development and manufacturing of systems based on electronics technology;
 - d) trade in electronic components, devices and systems as well as the mediation of trading transactions concerning these products;
 - e) provision of services relating to automated data processing and information technology and consulting relating to these areas;
 - f) implementation and provision of all work pertaining to the organisational, technical, commercial and financial consulting of companies and businesses of all kinds, as well as the manufacturing, sale and maintenance of machines and devices pertaining to this sphere of activity;
 - g) trade in goods of all kinds;
 - h) industrial research and development including the design of industrial manufacturing processes (Engineering) in the Company's areas of interest and the acquisition, granting and implementation of industrial property rights, licences, manufacturing and distribution rights and distribution rights of all kinds;
 - i) pursuance of the trade of upper and lower stage electric installation (*Gewerbe der Elektroinstallation der Oberstufe und Unterstufe*);
 - j) the Company shall further be entitled to produce, process, acquire and distribute other products and to provide services of all kinds.
2. A further object of the Company shall be the investment in other companies of the same or of a related type, the taking over of the management and asset management of such companies, with the exception of banking businesses.
3. The Company shall be entitled to complete all transactions and take all measures which are necessary or useful for realizing the objects of the Company. Its activities shall be pursued both in Austria and in other countries.

§ 3

Publication

Publications and Notices

1. The Company's publications shall be made on its website and, insofar and as long mandatory by law, in the official gazette of the "Wiener Zeitung" newspaper. Apart from that, the Company's publications shall be made, according to the respectively applicable legal provisions, in particular by using electronically operated information dissemination systems, as defined by orders of the Austrian Financial Market Authority (*Finanzmarktaufsichtsbehörde, FMA*).
2. [Shareholders can only address legally effective notices to the company in German or English language.](#)

II. Nominal Capital and Shares

§ 4 Nominal Capital

1. The Company's nominal capital shall be EUR 28,490,000.
2. The nominal capital shall be divided into 25,900,000 individual certificate shares.
3. All shares shall be bearer shares.
4. If in the case of a capital increase the resolution on the increase does not state whether the shares shall be bearer shares or registered shares, they shall be bearer shares.
5. (a) By resolution of the general meeting of shareholders of ~~57 July 2005, 2010~~, the Management Board was authorised to increase, until ~~46 July 2010, 2015~~ and with the consent of the Supervisory Board, the nominal capital of the Company by ~~up to EUR 12,430,000, 14,245,000~~, also in several tranches if necessary, by issuing up to ~~11,300,000, 12,950,000~~ individual ~~no-par-value~~ bearer shares in exchange for cash payment or contribution in kind, even if the shareholders' pre-emptive rights are excluded in whole or in part, and to determine the details of the issue terms (including without limitation issue price, nature of the contribution in kind, contents of share rights, exclusion of pre-emptive rights) with the consent of the Supervisory Board. The Supervisory Board shall be authorised to resolve amendments to the Articles of Association resulting from the issue of shares from authorised capital.

(b) In accordance with section 159 para 2 item 1 of the Austrian Stock Corporation Act (Aktengesetz, AktG) the nominal capital shall be conditionally increased by up to EUR ~~12,430,000, 14,245,000~~ by issuing up to ~~11,300,000 new ordinary~~ 12,950,000 individual bearer shares. This conditional capital increase shall be effected only to the extent that holders of convertible bonds issued on the basis of the resolution of the general meeting of shareholders of ~~57 July 2005, 2010~~ exercise the right to subscribe for or exchange ~~and/or to buy~~ shares of the Company which was granted to them. The new shares issued in the course of the conditional capital increase shall be fully-entitled to dividends ~~for the business year in which they are issued~~ in the same way as the shares traded at the Stock Exchange at the time of issue. The issue price for the shares to be issued when said rights to subscribe for or exchange ~~and/or to buy~~ shares are exercised shall be calculated based on the average of the closing prices at the Vienna Stock Exchange or the stock exchange on which the Company's shares are primarily listed ~~of~~ during the twenty trading days preceding the allocation date of the convertible bonds plus a surcharge of 30% or any higher surcharge corresponding to the expected price development of the Company in connection with similar transactions in the relevant market, with the term, interest rate and volume being decisive for determining whether a transaction is similar or not. The Supervisory Board shall be authorised to resolve amendments to the Articles of Association which result from the issue of shares from the conditional capital. The same shall apply in case the authorisation to issue convertible bonds has not been exercised by the expiration of the period of authorisation and in case the conditional capital has not been utilised by the expiration of the periods in accordance with the terms and conditions for convertible bonds.

(c) The sum of (i) the number of the new shares actually or potentially issued from the conditional capital in accordance with the terms and conditions of the convertible bonds and (ii) the number of the shares issued from the authorised capital shall not exceed the number of 12.950.000 (limitation of the authorizations according to amount pursuant to literae a and b)."

6. Subject to statutory provisions, the Company shall be entitled to acquire its own shares.

§ 5 Share Certificates

1. The form and contents of share certificates, interim certificates, dividend and renewal coupons, partial debentures, interest coupons and option certificates shall be determined by the Management Board with the consent of the Supervisory Board.
2. The Company shall be entitled to incorporate several shares in one certificate (global certificate).
3. All claims to the issuing of individual share certificates shall be excluded in accordance with section 10 para 6 of the Stock Corporation Act.

III. Management Board

§ 6 Composition of the Management Board

1. The Management Board shall consist of two, three or four members of which the Supervisory Board may appoint a chairperson of the Management Board.
2. Deputy members of the Management Board may be appointed within the maximum number stipulated in paragraph 1.
3. The resolution of appointment passed by the Supervisory Board shall specify the service period for each member of the Management Board.

§ 7 Company Representation

1. The Company shall be represented by two members of the Management Board jointly, by one member of the Management Board jointly with a *Prokurist*¹, or by two *Gesamtprokuristen*² jointly.
2. If two or several board members, or one board member and one or more deputy board members have been appointed to the Management Board, the Supervisory Board may grant individual power of representation to each or several of them and may withdraw the right to represent individually.

§ 8 Company Management

1. The Supervisory Board shall decide on the allocation of responsibilities among the members of the Management Board and shall pass internal Rules of Procedure for the Management Board.
2. The management practice of the Management Board shall take into account all statutory provisions, the Articles of Association and the Rules of Procedure passed by the Supervisory Board.
3. On behalf of the Company the Management Board shall observe the restrictions specified by the Stock Corporation Act – in particular in section 95 para 5 – as amended, by the Articles of

¹ Translator's note: Executive holding a special power of attorney to act for the Company.

² Translator's note: Executives holding a general power of attorney to act for the Company.

Association or by the Supervisory Board regarding the scope of its powers of direction, or which arise from a resolution of the general meeting of shareholders in accordance with section 103 of the Stock Corporation Act as amended.

4. The Management Board shall require the prior consent of the Supervisory Board for the management measures specified in the Rules of Procedure for the Management Board.
5. The Supervisory Board shall be entitled to stipulate additional legal acts which may be undertaken by the Management Board only upon prior consent of the Supervisory Board.

§ 9

Report to the Supervisory Board

The Management Board shall submit an oral or written report to the Supervisory Board, or for important cause to the chairperson of the Supervisory Board in accordance with the currently valid statutory provisions, including without limitation section 81 paras 1 and 2 and section 95 para 2 of the Stock Corporation Act as amended, but at least quarterly, on the progress of business and the position of the Company in the light of forecast results, taking into account the future development of the Company. The report shall adhere to the principles of an accurate and faithful account.

IV.

Supervisory Board

§ 10

Composition of the Supervisory Board

The Supervisory Board shall consist of a minimum of three and a maximum of nine members elected by the general meeting of shareholders and a corresponding number of delegated members in accordance with section 110 of the Employment Act (*Arbeitsverfassungsgesetz*) as amended.

§ 11

Election and Recall of Supervisory Board Members

1. The members of the Supervisory Board shall be elected by the general meeting of shareholders for a period of time ending at the end of the general meeting of shareholders resolving on the formal approval of the actions of management for the fourth financial year following the election. For this purpose, the financial year in which the individual Supervisory Board member is elected shall not be counted.
2. Should a member of the Supervisory Board resign before the expiry of his/her term of office, a by-election shall be held at the next general meeting of shareholders, unless the number of elected Supervisory Board members drops below three due to the member's resignation. Members elected by the by-election shall be elected for the remaining period of the term of office of the resigned member.
3. Any member of the Supervisory Board may resign even without important cause by giving one month's notice and submitting a written declaration to the chairperson of the Supervisory Board.
4. A member's appointment to the Supervisory Board can be revoked by the general meeting of shareholders before his/her term of office has expired. Such resolution shall require a majority of three quarters of the votes cast. It shall be valid only if three quarters of the share capital is represented at the general meeting of shareholders.

§ 12

Internal Organisation of the Supervisory Board

1. At the meeting of the Supervisory Board following that in which the chairperson or one or several of his/her deputies has/have been relieved of their appointment, the Supervisory Board shall elect a chairperson and one or several deputies from among its members. The election shall require an absolute majority of the votes cast. Should none of the suggested persons obtain the required majority in this election, a second ballot shall be held between the two persons who have

received most of the votes. Should neither receive the required majority in this ballot either, the matter shall be assigned by lot. A chairperson or deputy shall be elected for the duration of the term of office of the elected persons as members of the Supervisory Board and shall end with the expiry of the term of office of the elected persons as members of the Supervisory Board. A re-election for such offices shall be possible.

2. Should the chairperson of the Supervisory Board or one of his/her deputies resign before expiry of his/her term of office, a by-election shall be held at the next meeting of the Supervisory Board.

§ 13

Rules of Procedure of the Supervisory Board

1. The Supervisory Board shall draw up its own Rules of Procedure.
2. Resolutions of the Supervisory Board regarding its Rules of Procedure shall require the approval of a simple majority of the members elected by the general meeting of shareholders and shall comply with the general requirements of resolutions as defined in the Stock Corporation Act.

§ 14

Negotiations and Resolutions of the Supervisory Board

1. The negotiations and resolutions of the Supervisory Board shall take place during meetings, to which chairperson, or if he/she is incapable his/her first deputy, shall convene the Supervisory Board members by sending a letter to the address most recently made known to the Company. Section 94 paras 2 and 3 of the Stock Corporation Act as amended shall remain unaffected.
2. The Supervisory Board shall constitute a quorum if at least a simple majority of members elected by the general meeting of shareholders is present; in any case three elected members, including the chairperson or one of his deputies shall be present. The chairperson or, in case s/he is not present, his/her first deputy shall preside over the meeting and decide on the voting procedure.
3. Provided that the law, the Articles of Association or the Rules of Procedure do not mandatorily prescribe any other types of majority, the resolutions of the Supervisory Board shall be passed by a simple majority of the votes cast. In case of a tie, the chairperson of the meeting shall have the decisive vote.
4. Minutes shall be kept on the negotiations and resolutions of the Supervisory Board, which shall be signed by the chairperson of the meeting.

§ 15

Representation

Each member of the Supervisory Board may authorise another member of the Supervisory Board to represent him/her at a specific meeting via written power of attorney which is to be given to the chairperson of the meeting at the beginning of the meeting. The represented member of the Supervisory Board shall not be counted when determining whether a quorum is present. The right to chair a meeting may not be transferred. A member of the Supervisory Board may also authorise another member of the Supervisory Board to submit a written vote in his/her place during a meeting of the Supervisory Board.

§ 16

Circular Resolutions

Resolutions of the Supervisory Board may also be passed in writing, by e-mail or fax, by telephone, by video telephone (video or web conferencing) or by similar means, if the chairperson orders this type of decision-taking for special reasons and no member objects to this procedure. If resolutions are passed in such a way, representation of a member of the Supervisory Board shall not be permissible. The necessary majorities shall be those specified in section 14 para 3 of these Articles of Association as amended. For resolutions which have been made by telephone or similar means, a transcript must be furnished which must be signed by the chairperson.

§ 17

Committees

1. The Supervisory Board may establish committees composed of its members. The duties and powers of the committees shall be determined by the Supervisory Board; the committees may also be given decision-making powers. For the election of members of committees section 12 of the Articles of Association as amended, shall apply analogously.
2. The provisions of section 14 of the Articles of Association as amended shall apply analogously also to committees of the Supervisory Board's. If a committee consists of only two members, the committee shall only constitute a quorum if both members are present.
3. In accordance with section 92 para 4a of the Stock Corporation Act as amended, an audit committee must be formed in any case.

§ 18

Participation in Meetings of the Supervisory Board and its Committees

1. With the exception of a recording clerk, persons who are neither members of the Supervisory Board nor of the Management Board may take part in meetings of the Supervisory Board or of its committees only if the Supervisory Board decides that their presence shall be allowed.
2. Experts, informants or other informed persons may be called on to attend a meeting by order of its chairperson to provide advice about specific matters of concern.
3. Members of the Supervisory Board who do not belong to a specific committee may take part in committee meetings only with the consent of the chairperson of the Supervisory Board.

§ 19

Amendments to the Articles of Association

The Supervisory Board shall be entitled to resolve on amendments to the Articles of Association which only concern its form.

§ 20

Declarations of Intent

Declarations of intent by the Supervisory Board and its committees shall be made by the chairperson of the Supervisory Board or, if he/she is incapable, by his/her first deputy.

§ 21

Remuneration for the Supervisory Board

Each member of the Supervisory Board shall receive a meeting fee for each meeting and an annual payment the amount of which shall be resolved by the general meeting of shareholders for the preceding year at the meeting in which the Annual Accounts are decided on. Cash expenditure shall be included in this remuneration and shall not be reimbursed separately.

V.

general meeting of shareholders

§ 22

General Provisions

1. The general meeting of shareholders shall be convened by the Management Board or by the Supervisory Board.
2. The general meeting of shareholders shall be held at the Company's registered office, at one of its branches or at another location where an Austrian notary has an official registered office.

- ~~3. The convention of the general meeting of shareholders shall be published taking into account the following terms.~~
- ~~4. If shares or interim certificates have been issued, only those shareholders shall be entitled to attend the general meeting of shareholders who deposit their shares or interim certificates until the end of the general meeting of shareholders with the Company, with an official Austrian notary or with the head office of an Austrian bank, or with other Austrian or foreign bank specified in the invitation to the general meeting of shareholders, during business hours within the periods specified in the following paragraphs.~~
- ~~5. The shares shall be deposited in such a timely way that there are at least three working days between the date of depositing and the date of the general meeting of shareholders. A minimum period of twenty-one days as of the invitation shall be available to the shareholder for depositing the shares, with the date of publication not being counted. If the last day of such period is a Sunday or a public holiday, also the next working day shall be available for depositing the shares. Within the meaning of this provision also Saturdays, Good Friday and the 24th December shall be considered public holidays instead of working days.~~
- ~~6. Shares or interim certificates shall also be deemed duly deposited if they are held, until the end of the general meeting of shareholders, in a blocked security deposit with different Austrian or foreign banks with the consent of a depository appointed by the Company.~~
3. The convocation shall be published on the 28th day preceding the ordinary general meeting of shareholders at the latest (section 104 Austrian Stock Corporation Act, Aktiengesetz, AktG), otherwise on the 21st day preceding the general meeting of shareholders. This period shall be calculated backward from the date of the General Meeting, which itself does not count.
- ~~7. The depositories shall deliver the certificate confirming the deposit to the Company not later than one day after expiry of the deposit period. Deposit receipts and safe custody receipts issued in order to prove ownership of the shares must be drawn up in German or English.~~
4. The entitlement to attend the general meeting of shareholders shall be subject to the ownership of shares at the end of the 10th day preceding the general meeting of shareholders (record date). In the case of deposit bearer shares, a deposit confirmation in accordance with section 10a of the Austrian Stock Corporation Act (Aktiengesetz, AktG) at the record date shall be sufficient for the evidence of shareholding, which has to be received by the Company under the address mentioned in the convocation three working days prior to the general meeting of shareholders, unless a later date is defined in the convocation. In the case of non-deposit shares, the written confirmation of the Company or of an Austrian notary public, which has to be received by the Company under the address mentioned in the convocation three working days prior to the general meeting of shareholders, unless a later date is defined in the convocation, shall be sufficient. In relation to the content of the confirmation Section 10a para 2 of the Austrian Stock Corporation Act (Aktiengesetz, AktG) shall apply mutatis mutandis with the exception of the number of the deposit account.
- ~~8. By means of publication in the invitation to the general meeting of shareholders, the right to attend the general meeting of shareholders may be made subject to the timely filing of a double list of the shares.~~
5. For the attendance of the general meeting of shareholders and for the exercise of the shareholders rights, which have to be exercised in the course of the general meeting of shareholders, each shareholder is entitled to nominate a natural or legal person as representative. The power of attorney shall be granted in written form, forwarded to the company and shall be kept in safe custody or recorded in a verifiable manner. The details for the granting of the power of attorney will be published together with the convocation of the general meeting of shareholders.
6. The general meeting of shareholders may be transmitted and recorded publicly in whole or in part visually and acoustically. The form of transmission has to be announced with the convocation of the general meeting of shareholders. The Management Board shall be authorized to determine the rules of the procedure and the details of the transmission.

~~9. In case no shares have been issued, the invitation to the general meeting of shareholders shall state the conditions on which the shareholders will be admitted to the general meeting of shareholders. In case interim certificates have been issued, the shareholders recorded in the share register shall be admitted to the general meeting of shareholders even if they do not deposit the certificates if they inform the Company in writing that they plan to attend the meeting no later than three working days before the date of the general meeting of shareholders.~~

~~10. Vote by proxy shall require a written proxy. This proxy shall be retained by the Company.~~

~~11. Audiovisual recordings of the general meeting of shareholders may be transmitted publicly in whole or in part. The mode of transmission is to be announced in the invitation to the general meeting of shareholders. The chairperson of the general meeting of shareholders shall be entitled to determine the details of the transmission.~~

§ 23 Voting Rights

Voting rights shall be exercised according to the number of individual share certificates held. Each individual share certificate shall confer the right to one vote.

§ 24 Chair of the general meeting of shareholders

1. The general meeting of shareholders shall be chaired by the chairperson of the Supervisory Board, and if he/she is incapable his/her first deputy. If none of the above is present or willing to chair the Meeting, the Meeting shall be chaired by the notary called in for certification purposes until a chairperson has been elected.
2. The chairperson of the general meeting of shareholders shall conduct the negotiations, determine the sequence of the items on the agenda as well as the mode of voting.

§ 25 Formation of a Majority

1. The general meeting of shareholders shall pass its resolutions by simple majority of the votes cast unless a different majority is mandatorily provided by law or these Articles of Association, and in cases where a majority of capital is required by a simple majority of the nominal capital represented at the time the resolution is passed,
2. If in case of elections no absolute majority can be reached in the first ballot, a second ballot shall be held between the two candidates who have achieved most of the votes. In case of a tie of votes, the chairperson of the general meeting of shareholders shall have the decisive vote.

§ 26 Rights of the General Meeting of Shareholders

1. The general meeting of shareholders shall decide in specific cases provided for by the law or these Articles of Association.
2. The general meeting of shareholders shall be entitled to decide on questions of management only if requested to do so by the Management Board or, provided that the matter concerns a transaction reserved for the Supervisory Board's consent in accordance with section 95 para 5 of the Stock Corporation Act as amended, if requested by the Supervisory Board.
3. The following matters concerning the preceding financial year shall be submitted for deliberation to the general meeting of shareholders each year within the first eight months of the following financial year:
 - a) the distribution of the balance sheet profit

- b) the formal approval of the actions of the members of the Management Board and of the Supervisory Board
 - c) in cases provided for by law the adoption of the Annual Accounts.
4. The general meeting of shareholders shall select the auditor and the group Auditor for the current financial year.

VI.
Annual Accounts and Distribution of Profits

§ 27
The Financial Year

The Financial Year shall begin on 1 April and end on 31 March of the following year.

§ 28
Annual Accounts

1. Within the first four months of the financial year the Management Board shall submit the annual account for the preceding financial year including the notes, a management report, a corporate governance report and, if legislation should so require, consolidated annual accounts and a consolidated management report, and shall submit these documents to the Supervisory Board after inspection by the Auditor with a proposal for the distribution of profits.
2. The Supervisory Board shall audit the annual accounts including the notes, the proposal for the distribution of profits and the management report and the corporate governance report, and also if appropriate the consolidated annual accounts and the consolidated management report, and shall make a declaration to the Management Board within two months after presentation and report to the general meeting of shareholders about the audit. If the Supervisory Board approves the Annual Accounts, they shall be verified in accordance with section 125 para 2 of the Stock Corporation Act as amended and presented in a report to the general meeting of shareholders.

§ 29
Distribution of Profits

1. The general meeting of shareholders can exclude the profits shown in the balance sheet from the distribution in whole or in part.
2. Unless otherwise resolved by the general meeting of shareholders, the dividends shall be due for payment twenty one days after the meeting was held.
3. Dividends which were not claimed by the shareholders within three years from the due date, shall be forfeited and allocated to the Company's free reserve.