

Ad hoc announcement

16/03/06

AT&S guidance for 2006/07 and 2007/08

AT&S growth target of over 20% annually until 2008

AT&S AG, Vienna, Austria, 16 March, 2006

The Board of Management presented a multi-year plan to the Supervisory Board on March 15, 2006. The plan sets out AT&S's growth strategy, taking into account the ramp-up of the second Shanghai plant beginning in August 2006 and the acquisition of Tofic.

Given AT&S's present excellent visibility in the telecoms sector, which currently accounts for 65% of its revenues, Management is expecting revenues of EUR 455m (up 20%) and earnings per share of EUR 1.10 (unchanged) for financial 2006/07, which begins on April 1, 2006. For 2007/08 the forecast is for revenues of EUR 550m (up 22%) and earnings per share of EUR 1.40 (up 27%).

In financial 2005/06 revenue guidance (around EUR 375m, and up 13%) and EPS guidance (EUR 1.10) remain unchanged.

Higher than expected revenues for the coming financial year are attributable to the faster than expected ramp-up of the second Shanghai plant. While this brings fresh capacity to the market ahead of time, it has also led to start-up costs being brought forward and bunched. This will be reflected in reduced EBIT in the first half of 2006/07 or even in the fourth quarter of the current financial year. Significant net tax credits in the fourth quarter of 2005/06 mean that post-tax earnings for the whole financial year will be on target.

In the coming financial year Management expects the low single-digit EBIT margin in the first half to rise significantly in the second half, due to positive contributions from the second Shanghai plant and Tofic in Korea. An EBIT margin of 9–10% is a realistic goal. This will mean more dynamic revenue and earnings growth in the second half of the coming year compared to the first half than in a typical AT&S financial year.

For more information please contact René Berger, IRO, Tel. +43 (1) 68300 9215, e-mail: r.berger@ats.net.