

Ad-hoc statement of 21 October 2004

Results for the first half year of 2004/05 to 30 September 2004

AT&S's sales increase by 7.7%, EBIT by 24%. Profits rise by 273%

AT&S AG, Vienna, Austria, 21 October 2004

In the first six months of 2004/05, AT&S has not only exceeded the previous year's figure by 7.7% with its sales of € 163.9 million, but has also achieved the highest half-year turnover in its history. This means there was a turnover of € 85.9 million (+9%) in the second quarter.

In comparison to the same period of the previous year, the EBIT has increased in the second quarter by 6% to € 8.8 million. Therefore, the EBIT margin reached 10.2% in the second quarter. In first half of the financial year, this produced an EBIT of € 15.2 million. This corresponds to an increase year-over-year of 24%.

The quarterly result before tax amounted to € 10 million (+149%). This resulted in a half-year pre-tax profit of € 17.2 million (+106%).

In the second quarter, the net income rose to € 8.5 million (+186%). Cumulated, AT&S has achieved a half-year net income of € 16.1 million and exceeded the result of the same period in the previous year by 273%.

The result per share is € 0.33 for the second quarter of 2004/05. This accumulates to € 0.62 for the half-year (€ 0.17 in the first half-year of 2003/04).

AT&S's net debt is € 50.6 million at the end of the first half-year (EUR 56.9 Mio one year ago). As a result, the net gearing is 23.9 %.

After the second quarter, AT&S's management views the financial year very positively and expects a full-capacity operation to continue in the third quarter. AT&S expects to achieve a growth in turnover of 10% for the whole year. Profits will increase even more significantly.

Information and explanations of the issuer on this ad hoc statement:

Results according to US-GAAP (in millions of Euros, earnings/share in EUR):

| | 1 HY 04/05 | Margin | 1 HY 03/04 | Margin |
|----------------|------------|--------|------------|--------|
| Total revenues | 163.9 | | 152.1 | |
| Gross profit | 27.7 | 16.9 % | 21.3 | 14.0 % |
| EBITDA | 37.4 | 22.8 % | 32.7 | 21.5 % |
| EBIT | 15.2 | 9.3 % | 12.3 | 8.1 % |
| Net income | | 16.1 | | 4.3 |
| Earnings/share | 0.62 | | 0.17 | |
| Net debt | 50.6 | | 56.9 | |
| Net gearing | 23.9 % | | 29.8 % | |

Explanations of the result for the first half year of 2004/05

The three main reasons for AT&S's record half-year are the continuing boom in mobile telephone sales, AT&S's very successful strategy in dealing with European industrial customers and finally the plant in Shanghai, which is now fully operational.

The turnover has increased according to plan by 7.7% in comparison to the previous half-year, with the ramp-up of the third and fourth production lines completed in Shanghai and the expansion in India. The result for the second quarter was as much as 9% above the previous year's value.

The increase of the profit margins, in particular the gross margin to 18.7% in the second quarter (half-year cumulative figure: 16.9%) but also the EBIT margin to 10.2% (half-year cumulative figure: 9.3%) can be attributed both to a good productmix and also to the plant in Shanghai which is working at full capacity without any further start-up costs to be taken into consideration presently.

In addition to AT&S's operating performance, the financial income, driven by profits from hedging activities, also contributed to the improved earnings which have risen by 237% in the past half-year. The financial result, which is just over 2 million euro, is almost 6 million euro higher than in the first half-year of 2003/04.

The presentation of results and the half year financial statement in Excel (excl. notes) can be found from 08:00 hrs. (CET) today on www.ats.net (Investors). The half year report



will be available as a pdf document from the beginning of November 2004.

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