Ad hoc Announcement

24/07/2008

Results for first quarter 2008/09, to 30 June 2008

In an overall weak first quarter, AT&S’s revenues held up to last year’s level, despite the collapse of the US dollar. Earnings for whole financial year expected to be lower than previous year’s record levels.

AT&S AG, Vienna, Austria, 24 July 2008

AT&S posted revenues of EUR 115.2m for the first quarter of financial 2008/09, up 0.4% on the same period last year.

Gross profit was down to EUR 15.9m, a decrease of 15%, and the gross margin was 13.8%, 2.6 percentage points lower than in the comparable period last year.

EBIT of EUR 5.6m was down 28% period on period, and the EBIT margin came out at 4.9%, lower by 1.9 percentage points than in the same period last year.

AT&S’s pretax profit for the first three months was EUR 5.3m, a decline of 42%. Net income for the period was EUR 5.0m (down 45%). The effective rate of taxation for the first quarter was some 4.6%, resulting in earnings per share of EUR 0.22 (down by 45%).

Net debt at 30 June 2008 amounted to EUR 145.7m (EUR 123.7m a year earlier), with net gearing at 62.7%. Since 31 March 2008 net debt was down by EUR 10.6m.

Outlook

Based on the available customer forecasts, the Group expects the coming quarter to produce higher capacity utilisation and a better product mix. However the present macroeconomic dangers, stemming from the financial crisis and the behaviour of the US dollar, make the market environment increasingly difficult to assess. From the present perspective, it is to be expected that the earnings for the whole of financial 2008/09 will not reach the record levels of the previous year.

AT&S is therefore not currently prepared to give any precise guidance.

Information and notes on this ad hoc announcement by the Company

Results in accordance with IFRS (in EUR m, earnings per share (EPS) in EUR)

<table>
<thead>
<tr>
<th>Q1 2008/09 compared with Q1 2007/08</th>
<th>Q1 08/09</th>
<th>Margin</th>
<th>Q1 07/08</th>
<th>Margin</th>
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</thead>
<tbody>
<tr>
<td>Total revenues</td>
<td>115.2</td>
<td></td>
<td>114.7</td>
<td></td>
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<tr>
<td>Gross profit</td>
<td>15.9</td>
<td>13.8%</td>
<td>18.8</td>
<td>16.4%</td>
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<tr>
<td>EBITDA</td>
<td>15.7</td>
<td>13.6%</td>
<td>15.9</td>
<td>13.8%</td>
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<tr>
<td>EBIT</td>
<td>5.6</td>
<td>4.9%</td>
<td>7.8</td>
<td>6.8%</td>
</tr>
<tr>
<td>Net income for period</td>
<td>5.0</td>
<td></td>
<td>9.2</td>
<td></td>
</tr>
<tr>
<td>EPS</td>
<td>0.22</td>
<td></td>
<td>0.40</td>
<td></td>
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<tr>
<td>Net debt</td>
<td>145.7</td>
<td></td>
<td>123.7</td>
<td></td>
</tr>
<tr>
<td>Net gearing</td>
<td>62.7%</td>
<td></td>
<td>54.5%</td>
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</table>

Notes to the results for first quarter 2008/09

Seasonality of AT&S’s business and difficult market environment meant that margins came under pressure. US dollar and wage costs present a challenge to business in Europe.

AT&S’s business is seasonal: the first and fourth quarters of the financial year generally produce lower capacity utilisation and less satisfactory product mixes, while capacity utilisation in the second and third quarters is as a rule extremely good. For a high fixed cost
business like AT&S’s, reduced capacity utilisation means immediate pressure on margins. The state of the general economic environment meant that the seasonal effect in the first quarter of financial 2008/09 was particularly marked, so that the pressure on margins was exceptionally high.

The weakness of the US dollar and high wage settlements in Austria represent significant competitive drawbacks for volume production, which is why the concentration on European markets is being intensified in the Leoben-Hinterberg plants in particular.

Prices for a large part of the mobile devices business, but also in the industrial and automotive sectors, (in total roughly 75% of total sales) are dependent of the US dollar, because AT&S’s competitors are almost without exception located in countries whose currencies follow the dollar. Despite the fact that the value of the dollar against the euro has fallen by an average of 16% compared with the first quarter of financial 2007/08, sales revenues have managed to increase slightly, by 0.4%.

At 30 June 2008 AT&S employed 6,338 people.

In the first three months of 2008/09, 63% of sales were generated by Mobile Devices, while Industrial/Medical contributed roughly 24%, and Automotive customers roughly 11%. DCC/Trading and Design accounted for 3% of the total.

Net capital investment in the first quarter came to EUR 12m, with the bulk going on further expansion of our Shanghai facilities.

Share buy-back program
AT&S’s fourteenth Annual General Meeting of 3 July 2008 authorised the Management Board to repurchase the Company’s own shares up to a maximum of 10% of the share capital within 30 months of the passing of the resolution. The acquisition price may not be less than EUR 1.10 per share nor more than EUR 110.– per share. At 30 June 2008 AT&S held 2,577,412 treasury shares, or 9.95% of the share capital. The free float now amounts to 50.9%. No shares were repurchased in the first quarter of 2008/09.

The results and the Excel format interim financial statements (not including notes) for the first quarter of 2008/09 were posted today at 8 am (CEST) on the investors section of www.ats.net. The quarterly report will be available in .pdf format from early August 2008.

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