

Ad hoc Announcement

26/01/06

Results for first three quarters 2005/06 to 31 December 2005

AT&S revenues up 12%, EBIT up 13%

AT&S AG, Vienna, Austria, January 26, 2005

AT&S generated revenues of EUR 278.5m in the first three quarters of 2005/06, an increase of 12%. Third quarter revenues were EUR 92m (up 8%).

Gross profit for the first three quarters improved to EUR 47.6m (up 16%), EBIT was EUR 21.5m, or 13% up on the previous year.

This resulted in an EBIT margin of 7.7% for the three quarters, in spite of non-recurring items of EUR 4m announced in December 2005. Ignoring these non-recurring items, AT&S posted EBIT of just over EUR 25m and an EBIT margin of over 9%.

Third quarter gross profit was EUR 13.2m (down 2%) and EBIT for the quarter was EUR 4m (up 3%) (both including non-recurring items).

Profit before tax for the three quarters of EUR 16.7m was 39% down on the same period for the previous financial year. Third quarter profit before tax amounted to EUR 3m. This year-on-year decline in pretax profit is attributable to slight hedging losses in the current financial year arising from a somewhat stronger US dollar, as compared with hedging gains in the third quarter of 2004/05.

Net income for the three quarters was EUR 20.1m (down 18%). Earnings per share for the first nine months were EUR 0.78. Third quarter net profit was EUR 4.9m and earnings per share EUR 0.19 (down 44%).

AT&S's effective tax rate after the first nine months of the year was 20% (net refund).

AT&S's net debt at December 31, 2005 amounted to EUR 25.2m (EUR 47.4m a year previously). The resulting gearing ratio as at December 31, 2005 was 10.4% (22% December 31, 2004). The equity ratio was 56.1%.

Outlook and further information

During the third quarter, AT&S qualified as a supplier for Sony's Digital Imaging Division in Japan. The digital camera business is of particular interest to AT&S as it also calls for HDI Microvia circuit boards; after mobile telephones, it is one of the Company's most important growth markets. The first major orders are expected to be placed in the coming financial year. Forecasts from existing AT&S customers point towards further stable growth in the period after Christmas. AT&S expects full capacity utilization over the coming months. Revenue guidance for 2005/06 remains unchanged (revenues +13%, EPS 1.10%).

Information and notes from the issuer on today's ad hoc announcement

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

First three quarters 2005/06

	Q1-3 05/06	Margin	Q1-3 04/05	Margin
Total revenues	278.5		249.1	
Gross profit	47.6	17.1 %	41.1	16.5 %
EBITDA	52.1	18.7 %	53.2	21.3 %
EBIT	21.5	7.7 %	18.9	7.6 %
Net profit for the period	20.1		24.6	
Earnings per share	0.78		0.95	
Net debt	25.2		47.4	
Gearing ratio	10.4 %		22.0 %	

Third quarter 2005/06

	Q3 05/06	Margin	Q3 04/05	Margin
Total revenues	92.1		85.2	
Gross profit	13.1	14.2 %	13.4	15.7 %
EBITDA	14.1	15.4 %	16.0	18.8 %
EBIT	4.0	4.3 %	3.9	4.6 %
Net profit for the period	4.9		8.9	
Earnings per share	0.19		0.33	

Notes to the results for the first nine months of 2005/06

Market continues strong growth — AT&S posts higher results in spite of non-recurring items in November 2005

The Christmas period appears to have fully met the expectations of AT&S's mobile telecommunications customers and — on the basis of current data — demand for the coming quarters continues very high. AT&S Management therefore expects production to be running at full capacity for its handheld products, as well as for other segments.

In the third quarter 68% of AT&S's revenues was accounted for by the telecommunications sector (65% handhelds), about 20% by the industrial/medical sector and the remaining 12% by the automotive sector.

Relocation from Fohnsdorf to Leoben completed

Relocation of AT&S's Fohnsdorf plant to Leoben-Hintenberg was completed on January 15, 2006. Organization of the Leoben site has now been adapted accordingly. For customers of the former Fohnsdorf plant — now called SPP Operations (Special Products and Prototypes) — conditions will return to their customary high level now that the relocation process has been completed. SPP Operations is now operating in a significantly improved environment and with increased efficiency, thanks to important investments in technology.

Sony a valuable new customer for AT&S

New customer Sony's Digital Imaging Division is extremely valuable to AT&S due to a combination of its excellent reputation and its leading position technologically. This success marks the first major step for AT&S's sales activities in Japan, traditionally a strong market for the electronics industry.

Operations in India rebound as restructuring bears fruit

Following six difficult months, India has shown clear signs of operational improvements since December.

Net tax refunds for 2005/06

The positive effective tax rate in the third quarter is mainly the result of AT&S's specific situation, tax exemption in China and lower profitability influenced by non-recurring items in Austria. It is to be expected that for the financial year as a whole the tax position will continue to be significantly in plus.

The results and the Excel format interim report (not including notes) for the first three quarters of 2005/06 were posted today at 8am (CET) on www.ats.net (Investors). The quarterly report will be available in .pdf format from early February.

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