

Ad hoc announcement

26/07/2007

Results for first quarter 2007/08 to June 30, 2007

AT&S revenues up 9% and EBIT up 33%. Earnings per share (EPS) up 51% to EUR 0.40.

AT&S AG, Vienna, Austria, July 26, 2007

AT&S posted revenues of EUR 114.7m for the first quarter of financial 2007/08, up 9% on the same period last year.

Gross profit advanced to EUR 18.8m, an increase of 19%, and the gross margin was 16.4%, 1.3 percentage points higher than in the comparable period last year.

EBIT of EUR 7.8m was up 33% period on period, and the EBIT margin was 6.8%, an improvement of 1.2 percentage points over the first quarter of financial 2006/07.

AT&S's pretax profit for the first three months was EUR 9.1m, an advance of 53%. Net income for the period was EUR 9.2m (up 37%). The effective rate of taxation for the first quarter was some +1.8% (tax credit), resulting in earnings per share of EUR 0.40 (+51%).

Net debt at June 30, 2007, amounted to EUR 123.7m (EUR 74.2m higher than a year earlier), with net gearing at 54.5%. The increase in net borrowings of EUR 13.1m since March 31, 2007, is largely attributable to capital investment in the further extension of the Shanghai plants.

Outlook

In the telecommunications industry the technology mix is migrating towards the high tech end, with increasing use of 3-n-3 PCBs. In addition, there is increasing demand in the automotive segment for HDI printed circuit boards (high density interconnection), which impacts AT&S's business performance favorably. There is still no let-up in the pressure on prices.

On the basis of results for first quarter 2007/08 and the currently high levels of capacity utilization at AT&S's factories, Management is highly confident of achieving its published guidance for financial 2007/08 (revenues of EUR 540–550m, earnings per share of EUR 1.60 to EUR 1.70).

Information and notes on this ad hoc announcement by the Company

Results in accordance with IFRS (in EUR m, EPS in EUR):

Q1 2007/08 compared with Q1 2006/07

	Q1 07/08	Margin	Q1 06/07	Margin
Total revenues	114.7		104.8	
Gross profit	18.8	16.4%	15.9	15.1%
EBITDA	15.9	13.8%	15.4	14.7%
EBIT	7.8	6.8%	5.8	5.6%
Net income for period	9.2		6.7	
EPS	0.40		0.26	
Net debt	123.7		74.2	
Net gearing	54.5%		30.6%	

Q1 2007/08 compared with Q4 2006/07

	Q1 07/08	Margin	Q4 06/07	Margin
Total revenues	114.7		109.6	
Gross profit	18.8	16.4%	14.7	13.4%
EBITDA	15.9	13.8%	12.9	11.8%
EBIT	7.8	6.8%	4.4	4.0%
Net income for period	9.21		4.8	
EPS	0.40		0.21	
Net debt	123.7		110.6	
Net gearing	54.5%		50.2%	

Notes to results for first quarter 2007/08

Another strong quarter underlines AT&S's sustained strong growth

This is the tenth successive quarter in which AT&S has posted higher revenues than in the quarter before. Product mix and capacity utilization were both again satisfactory. In particular production of HDI circuit boards, which are technically demanding, was up on target. Despite the weakness of the US dollar, revenues grew by 9% in comparison with the same period last year. Judicious use of hedges and appropriate financing ensured that the effects of currency movements against the US dollar were canceled out. In combination with an effective tax rate of +1.8%, this meant

that earnings per share climbed a respectable 51% compared with the first quarter of financial 2006/07.

With 5,972 employees at June 30, 2007, AT&S's headcount reached a new record. Almost all the increase was in the plants in Asia, and predominantly in China.

In the first quarter, 65% of revenues was generated by the telecoms segment, with handheld products. Industrial/medical contributed 22%, and the automotive segment roughly 11%. DCC/Trading and Design accounted for 2.1% of the total; the Group is expecting a significant increase in this business over the rest of the financial year.

Net capital investment in the first quarter came to EUR 26m, spent principally on further expansion of our Shanghai facility.

Share buy-back program

AT&S's thirteenth Annual General Meeting of July 3, 2007, has authorized the Board of Management to repurchase the Company's own shares up to a maximum of 10% of the share capital within 18 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 June 30, 2007, AT&S held 2,519,991 shares, or 9.7% of the share capital. The free float is now 51.1%.

The results and the Excel format interim financial statements (not including notes) for the first quarter of 2007/08 were posted today at 8am (CET) on the investors section of www.ats.net. The quarterly report will be available in .pdf format from early August.

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