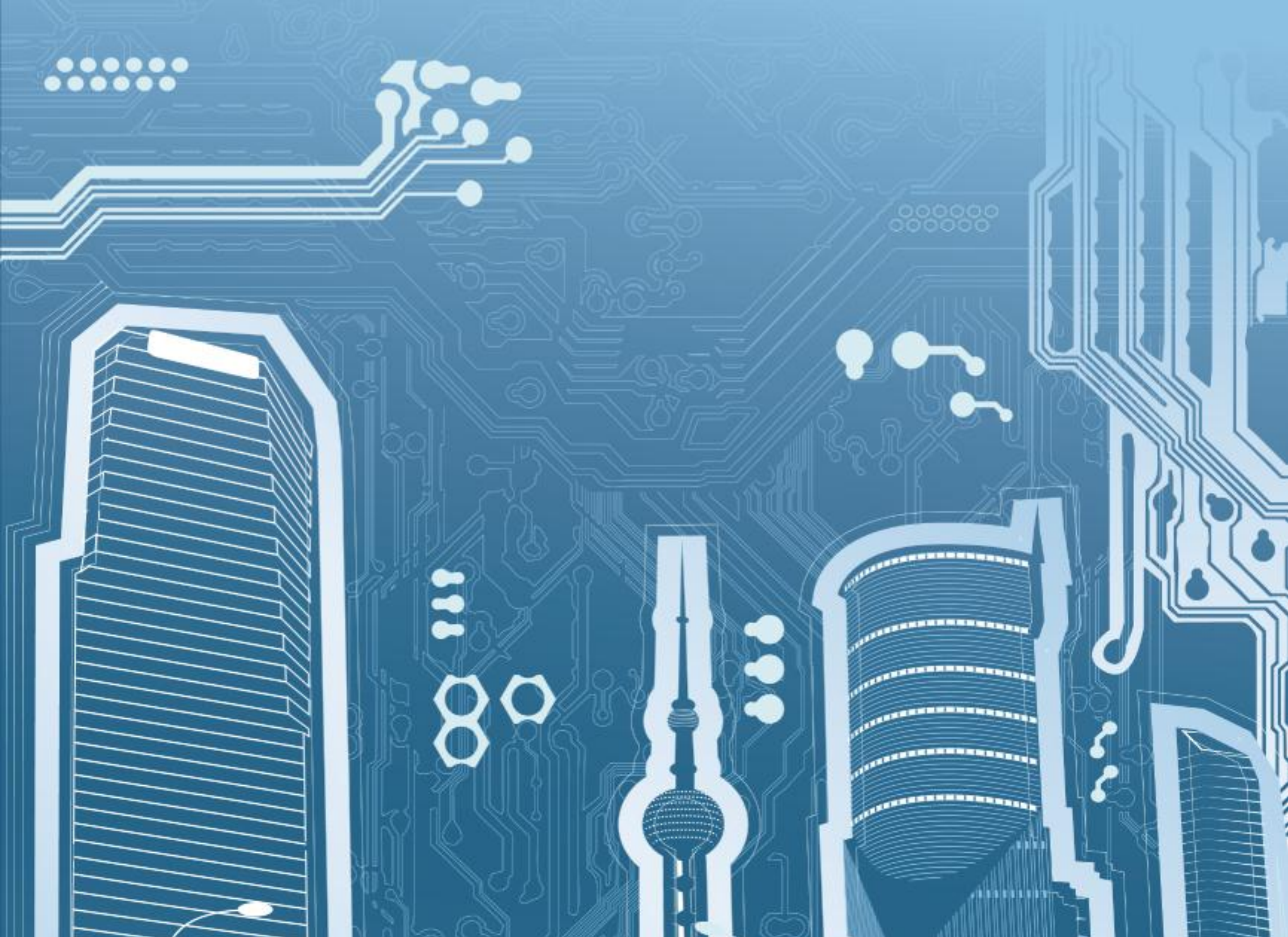


AT&S

Quarterly Financial Report 01
2013/14

AT&S - part of your daily life

Key figures

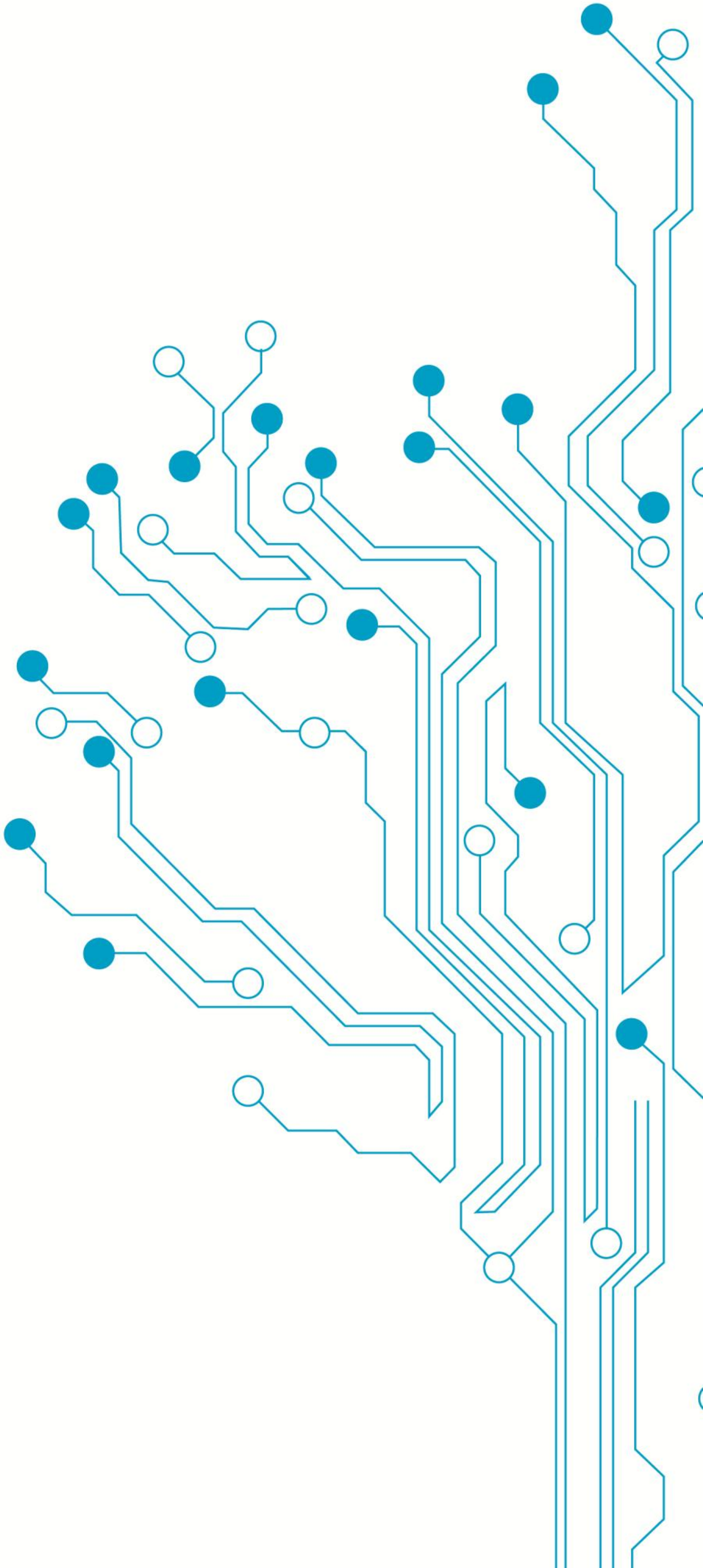
(If not otherwise stated, all figures in EUR 1,000)

	before non-recurring items	after non-recurring items	before non-recurring items	after non-recurring items
CONSOLIDATED STATEMENT OF PROFIT OR LOSS	Q1 2013/14		Q1 2012/13 [1]	
Revenue		142,541		126,034
thereof produced in Asia		74%		73%
thereof produced in Europe		26%		27%
EBITDA	31,116	28,112	21,048	21,048
EBITDA margin	21.8%	19.7%	16.7%	16.7%
EBIT	13,444	10,440	3,700	3,700
EBIT margin	9.4%	7.3%	2.9%	2.9%
Profit for the period	9,616	6,612	508	508
thereof owners of the parent company	9,610	6,606	510	510
Cash earnings	27,282	24,278	17,858	17,858
CONSOLIDATED STATEMENT OF FINANCIAL POSITION	30 June 2013		31 March 2013 [1]	
Total assets		742,714		726,663
Total equity		306,727		304,844
Total equity of owners of the parent company		306,774		304,895
Net debt		199,333		217,409
Net gearing		65.0%		71.3%
Net working capital		96,399		102,679
Net working capital per revenues		16.9%		19.0%
Equity ratio		41.3%		42.0%
CONSOLIDATED STATEMENT OF CASH FLOWS	Q1 2013/14		Q1 2012/13 [1]	
Net cash generated from operating activities (OCF)		27,523		6,113
CAPEX, net		10,863		9,284
GENERAL INFORMATION	30 June 2013		31 March 2013 [1]	
Payroll (incl. leased personnel), end of reporting period		6,935		7,011
Payroll (incl. leased personnel), average		6,960		7,321
KEY STOCK FIGURES	Q1 2013/14		Q1 2012/13 [1]	
Earnings per share (EUR)	0.41	0.28	0.02	0.02
Cash earnings per share (EUR)	1.17	1.04	0.77	0.77
Market capitalisation, end of reporting period		150,197		190,079
Market capitalisation per equity		49.0%		64.5%
Weighted average number of shares outstanding		23,322,588		23,322,588
KEY FINANCIAL FIGURES	Q1 2013/14		Q1 2012/13 [1]	
ROE [2]	12.6%	11.6%	0.7%	0.7%
ROCE [2]	10.1%	9.5%	3.2%	3.2%
ROS	6.8%	4.6%	0.4%	0.4%

[1] Adjusted in application of IAS 19 revised
[2] Calculated on the basis of average values

Highlights

- AT&S ends first quarter of 2013/14 with sales of EUR 143m, up EUR 17m (13%) on the total for the same period a year earlier
- AT&S significantly improved EBITDA by EUR 7m (34%) despite negative macro environment
- AT&S decided to exit the market for single-sided printed circuit boards and to close its production facility in Klagenfurt at the end of 2013
- AT&S is further strengthening its Advanced Packaging business through cooperation with TDK-Epcos
- AT&S is well on track with its Chongqing implementation plan



Statement of the Management Board

Dear shareholders,

In the first quarter of the financial year 2013/14 revenue and profit for the period significantly increased compared to the same period a year earlier, despite non-recurring items relating to the planned closure of our plant in Klagenfurt. Despite the challenging market environment, both Mobile Devices and Automotive and Industrial segments reported significant year-on-year improvements in revenue and capacity utilisation at our plants. We have good reason to be satisfied with how the financial year 2013/14 has started, and have laid down a solid foundation for the year to come.

FIRST QUARTER RESULTS In the first quarter AT&S Group posted sales of around EUR 143m, which was about EUR 17m more compared to the same period last year. Earnings per share rose to EUR 0.28. Earnings before interest, tax, depreciation and amortisation (EBITDA) amounted to EUR 28m, a significant improvement on the same period a year earlier. Before adjustment for the provision of non-recurring items amounting to around EUR 3m – relating to the planned closure of the AT&S plant in Klagenfurt – EBITDA reached EUR 31m thanks to strong capacity utilisation at all plants. The net gearing ratio narrowed to 65% (compared to 71% on the last balance sheet date) owing to a higher level of internal financing and continued restraint on investment.

Key indicators for the first three months of the financial year 2013/14 are as follows:-

- Revenue: EUR 142.54m
- Gross profit: EUR 26.76m
  for a margin of 18.77%
- EBITDA: EUR 28.11m
  for a margin of 19.72%
- Operating result: EUR 10.44m
  for a margin of 7.32%
- Profit before tax: EUR 7.10m
  for a margin of 4.98%
- Profit for the period: EUR 6.61m
  for a margin of 4.64%
- Earnings per share: EUR 0.28
- No. of shares outstanding (average)*: 23,323
  * Thousands of shares

FINANCING The maturities of the total financial liabilities of EUR 298.7m were as follows:

Less than 1 year:	EUR 129.9m
1–5 years:	EUR 145.8m
More than 5 years:	EUR 23.0m

PROFITABLE GROWTH FOR MOBILE DEVICES Increased demand for our high value HDI printed circuit boards is reflected in strong capacity utilisation at our Shanghai plant, a development that led to year-on-year revenue gains for Mobile Devices of about 7%, or some EUR 5m.

AUTOMOTIVE DRIVING GROWTH Revenue was up year on year in the first quarter across all customer segments.

The trend towards increased use of high value printed circuit boards in automotive technology continues and is the driving growth factor in this segment. Overall, revenue was up by about 19% or EUR 10m on the same period of 2012/13.

KLAGENFURT Demand for single-sided printed circuit boards has continued to decrease. The global trend towards relocating production capacity for this particular type of printed circuit boards to Asia has intensified sharply. Furthermore, the technology for single-sided printed circuit boards is no longer being developed. Existing products are increasingly entering the end-of-life phase and there are virtually no new projects on the horizon that call for this technology. Klagenfurt is the only AT&S Group facility that manufactures single-sided printed circuit boards. In contrast to the positive outlook for the AT&S Group's other production facilities, demand for single-sided printed circuit boards in Klagenfurt has continued to decrease.

Despite pursuing all of the options open to us, we were unable to bring capacity utilisation to an economically viable level in Klagenfurt. AT&S therefore decided to exit the market for single-sided printed circuit boards and to close its production facility in Klagenfurt at the end of 2013.

MAJOR MILESTONE REACHED IN INTRODUCTION OF ECP® TECHNOLOGY TO NEW MARKETS AT&S is collaborating with EPCOS, a TDK Group Company, on developing technologies for embedding active and passive electronic components. The aims of the partnership include driving forward standardisation of these technologies, which play a decisive role in the fabrication of extremely miniaturised modules.

CHONGQING In January 2013 AT&S concluded a cooperation agreement with the leading manufacturer of semiconductors and is now gearing up the Chongqing plant for the production of IC substrates. Construction work at the site is proceeding according to plan. Following completion of the building in Chongqing we are now focusing on investment in the necessary infrastructure, and have initiated the knowledge transfer process with our new partner. The coming months will be spent acquiring the necessary expertise for the highly advanced processes involved, as well as the specifications for materials and machine tools. We will begin installing machinery at the plant in 2014. As soon as this step has been completed we will be ready for a key element in the entire project – qualifying the production processes. Unlike in printed circuit board manufacturing, all of the production lines and the entire production process has to be qualified to ensure compliance with the required level of quality in advance, so that the equipment can be ramped-up for volume production immediately afterwards. Conducted in close cooperation with our partner, the entire qualification process will take from 12-18 months to complete.

We see entry to the IC substrates business as the chance of a lifetime for AT&S – it will unlock fresh potential for the Group, enhance enterprise value and create long-term increases in sales volumes.

With best regards

Andreas Gerstenmayer
Chairman of the Management Board

Heinz Moitzi
Chief Technical Officer

Corporate governance information

19TH ANNUAL GENERAL MEETING At the Ordinary General Meeting of AT & S Austria Technologie & Systemtechnik Aktiengesellschaft, held on July 4, 2013 the resolution was passed to pay a dividend for the business year from April 1, 2012 until March 31, 2013 of EUR 0.20 per participating no-par value share.

Investment income withholding tax of 25% is deductible from the dividend payable. In accordance with the statutory tax regulations and the Articles of Association, the dividend payment date is 25 July 2013. Dividends will be paid through the respective depository banks. The paying agent is Raiffeisen Centrobank AG, Vienna.

In accordance with the proposal of the Management and Supervisory Board, the remuneration for the Supervisory Board for the business year 2012/13 has been determined at an amount of EUR 204,600 in the aggregate.

The members of the Management Board and the Supervisory Board were discharged from liability for the financial year 2012/13. The Management Board was authorized according to section 65 (1) (8) Stock Corporation Act to purchase, within a period of 30 months from the adoption of the resolution of the General Meeting, treasury shares to an extent of up to 10% of the nominal capital of the company for a minimum consideration per share being at the utmost 30% lower than the average, unweighted stock exchange closing price over the preceding ten trading days and a maximum consideration per share at the utmost 30% higher than the average, unweighted stock exchange closing price over the preceding ten trading days. The authorization also extends to the repurchase of the Company's stock by subsidiaries of the Company (section 66 Stock Corporation Act). Such repurchases may take place via the stock exchange or a public offering or by other legal means, and for any legally permissible purpose. The Management Board was also authorized to cancel stock repurchased or already held by the Company without further resolution of the General Meeting.

The Supervisory Board was authorized to adopt amendments to the Articles of Association arising from the cancellation of shares. The authorization may be exercised in total or partially and also in several tranches.

Further, the authorization granted by a resolution in the 16th Ordinary General Meeting of July 7, 2010 under item 14. of the agenda to dispose of treasury shares was revoked and the Management Board was authorized according to section 65 (1b) Stock Corporation Act for a period of five years from the adoption of the resolution, therefore, until and including July 3, 2018, with the consent of the Supervisory Board and without a further resolution by the General Meeting, to dispose of or utilize stock repurchased or already held by the Company also in other ways than via the stock exchange or through public offering, in particular to grant treasury shares to employees, senior employees and/or members of the Company's Management Board or the management boards of its affiliates including for purposes of share transfer programs, in particular stock options, long term incentive plans or other employee stock ownership plans, to deliver treasury shares under convertible bonds issued by the Company, as consideration for the acquisition of businesses, equity interests or other assets or for any other legally permissible purpose, and to exclude the general purchasing possibility of the shareholders (exclusion of subscription rights). This authorization may be exercised in total or partially and also in several tranches and for several purposes.

The General Meeting has also resolved to amend the Articles of Association for aligning them with the Company Law Amendment Act 2011 and concerning the internal order of the Supervisory Board.

PwC Wirtschaftsprüfung GmbH, Vienna, has been elected as the auditor and group auditor for the business year 2013/14.

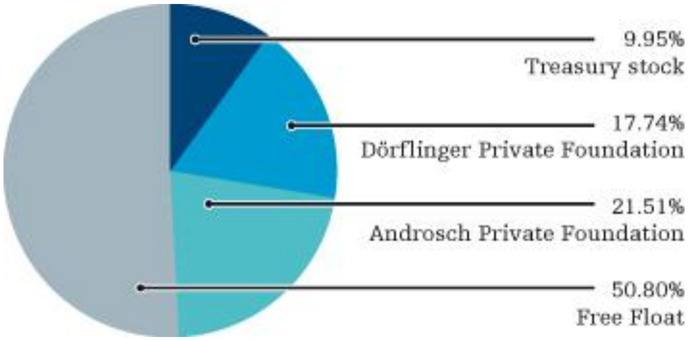
AT&S stock options

Stock options held by members of the Management Board were as follows (Supervisory Board members do not receive stock options):

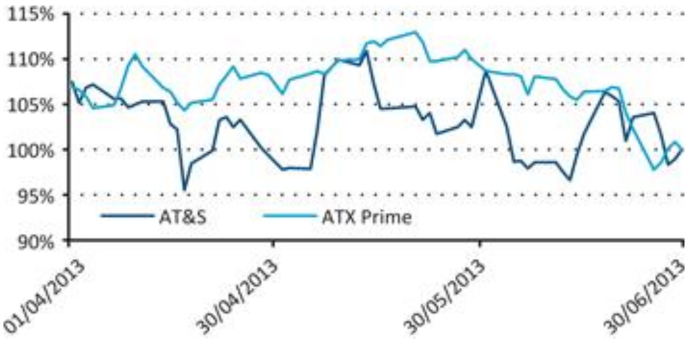
	Stock options as of 30 June 2013	Origin of stock options on stock			
		Allocation of 1 April 2012	Allocation of 1 April 2011	Allocation of 1 April 2010	Allocation of 1 April 2009
Andreas Gerstenmayer	**120,000**	40,000	40,000	40,000	0
Heinz Moitzi	**114,000**	30,000	30,000	30,000	24,000
Exercise Price (EUR)		9.86	16.60	7.45	3.86

AT&S stock

SHAREHOLDINGS



AT&S AGAINST THE ATX-PRIME



SHARE PRICE IN THE FIRST THREE MONTHS OF 2013/14 Over the past three months, the performance of AT&S stock was mainly a reflection of the following factors:

- Negative reports on some key customers in the smartphone segment
- lack of liquidity on the Vienna Stock Exchange and for the share itself
- Assessments of risks and opportunities that entry to the IC substrate business will bring for AT&S Group over the short and medium term

The price of AT&S stock declined slightly over the first three months to close at EUR 6.44, resulting in a market capitalisation of approximately EUR 150m at the end of the period.

At of 30 June 2013 the AT&S share was being followed by six analyst houses, of which two rated the share "buy", three rated it "hold" and one rated it "sell".

The Management Board started the financial year with an intensive investor relations programme to inform the capital market of the latest developments in the Group's core business, and of the risks and opportunities associated with its entry to the IC substrates business. The programme opened with the Vienna Stock Exchange's Small Cap Day in Innsbruck, followed by the Institutional Investor conference hosted by RCB in Zürs, and finally roadshows in London, Zurich, Montreal and Toronto. For the first time a group of prospective investors from Germany visited our plant in Shanghai as an example of a state-of-the-art HDI production facility in China. In all, the Group came into direct contact with more than 113 investors, and conducted one-on-one talks with more than 50 of them.

KEY STOCK FIGURES FOR THE FIRST THREE MONTHS (EUR)

	30 June 2013	30 June 2012
Earnings per share	0.28	0.02
High	7.14	9.60
Low	6.15	7.70
Close	6.44	8.15

AT&S SHARE

	Vienna Stock Exchange
Security ID number	969985
ISIN-Code	AT0000969985
Symbol	ATS
Reuters RIC	ATSV.VI
Bloomberg	ATS AV
Indexes	ATX Prime, WBI SME

FINANCIAL CALENDER

05 November 2013	Publication of results for second quarter 2013/14
23 January 2014	Publication of results for third quarter 2013/14
08 May 2014	Publication of annual results 2013/14

CONTACT INVESTOR RELATIONS

Martin Theyer
Tel.: +43 (0)3842 200-5909
E-mail: m.theyer@ats.net

Interim Financial Report (IFRS)

Consolidated Statement of Profit or Loss

(in EUR 1,000)	1 April - 30 June 2013	1 April - 30 June 2012 [1]
Revenue	142,541	126,034
Cost of sales	(115,781)	(110,593)
Gross Profit	26,760	15,441
Distribution costs	(7,390)	(6,827)
General and administrative costs	(5,155)	(4,692)
Other operating result	(771)	(222)
Non-recurring items	(3,004)	–
Operating result	10,440	3,700
Finance income	44	216
Finance costs	(3,385)	(3,897)
Finance costs - net	(3,341)	(3,681)
Profit before tax	7,099	19
Income taxes	(487)	489
Profit for the period	**6,612**	**508**
thereof owners of the parent company	6,606	510
thereof non-controlling interests	6	(2)
Earnings per share attributable to equity holders of the parent company (in EUR per share):		
- basic	0.28	0.02
- diluted	0.28	0.02
Weighted average number of shares outstanding - basic (in thousands)	23,323	23,323
Weighted average number of shares outstanding - diluted (in thousands)	23,339	23,352

Consolidated Statement of Comprehensive Income

(in EUR 1,000)	1 April - 30 June 2013	1 April - 30 June 2012 [1]
Profit for the period	**6,612**	**508**
Components to be reclassified to income:		
Currency translation differences	(4,762)	16,475
Fair value (losses) of available-for-sale financial assets, net of tax	–	(20)
Fair value gains/(losses) of cash flow hedges, net of tax	33	(2)
Other comprehensive income for the period	**(4,729)**	**16,453**
Total comprehensive income for the period	**1,883**	**16,961**
thereof owners of the parent company	1,879	16,961
thereof non-controlling interests	4	0

[1] Adjusted in application of IAS 19 revised

Consolidated Statement of Financial Position

(in EUR 1,000)	30 June 2013	31 March 2013 [1)]
ASSETS		
Non-current assets		
Property, plant and equipment	429,714	437,763
Intangible assets	1,766	1,952
Financial assets	96	96
Deferred tax assets	22,399	21,323
Other non-current assets	9,657	9,657
	463,632	470,791
Current assets		
Inventories	69,586	62,417
Trade and other receivables	109,640	111,802
Financial assets	848	770
Current income tax receivables	629	657
Cash and cash equivalents	98,379	80,226
	279,082	255,872
Total assets	**742,714**	**726,663**
EQUITY		
Share capital	45,914	45,914
Other reserves	37,624	42,351
Retained earnings	223,236	216,630
Equity attributable to owners of the parent company	306,774	304,895
Non-controlling interests	(47)	(51)
Total equity	**306,727**	**304,844**
LIABILITIES		
Non-current liabilities		
Financial liabilities	168,820	168,665
Provisions for employee benefits	22,689	22,277
Other provisions	10,295	10,437
Deferred tax liabilities	6,579	6,386
Other liabilities	3,177	3,948
	211,560	211,713
Current liabilities		
Trade and other payables	87,253	77,348
Financial liabilities	129,836	129,837
Current income tax payables	2,814	1,299
Other provisions	4,524	1,622
	224,427	210,106
Total liabilities	**435,987**	**421,819**
Total equity and liabilities	**742,714**	**726,663**

[1)] Adjusted in application of IAS 19 revised

Consolidated Statement of Cash Flows

(in EUR 1,000)	1 April - 30 June 2013	2012 [1]
Cash flows from operating activities		
Profit for the period	6,612	508
Adjustments to reconcile profit for the period to cash generated from operating activities:		
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	17,672	17,348
Changes in non-current provisions	307	352
Income taxes	486	(489)
Finance costs	3,341	3,681
(Gains)/losses from the sale of fixed assets	23	(17)
Release from government grants	(103)	(110)
Other non-cash expense, net	391	285
Changes in working capital:		
- Inventories	(7,979)	527
- Trade and other receivables	807	3,389
- Trade and other payables	9,286	(10,601)
- Other provisions	2,928	(456)
Cash generated from operating activities	33,771	14,417
Interest paid	(5,524)	(5,408)
Interest and dividends received	39	123
Income taxes paid	(763)	(3,019)
Net cash generated from operating activities	**27,523**	**6,113**
Cash flows from investing activities		
Capital expenditure for property, plant and equipment and intangible assets	(10,902)	(12,597)
Proceeds from sale of property, plant and equipment and intangible assets	38	3,313
Proceeds from sale of available-for-sale financial assets	–	35
Purchases of financial assets	(114)	(56)
Proceeds from sale of financial assets	2	61
Net cash used in investing activities	**(10,976)**	**(9,244)**
Cash flows from financing activities		
Changes in other financial liabilities	1,866	47,195
Proceeds from government grants	103	16
Net cash generated from financing activities	**1,969**	**47,211**
Net increase in cash and cash equivalents	**18,516**	**44,080**
Cash and cash equivalents at beginning of the year	80,226	29,729
Exchange gains/(losses) on cash and cash equivalents	(363)	953
Cash and cash equivalents at end of the period	**98,379**	**74,762**

[1] Adjusted in application of IAS 19 revised

Consolidated Statement of Changes in Equity

(in EUR 1,000)	Share capital	Other reserves	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
31 March 2012 [1]	**45,535**	**22,555**	**209,521**	**277,611**	**(55)**	**277,556**
Profit for the period	–	–	510	**510**	(2)	**508**
Other comprehensive income for the period	–	16,451	–	**16,451**	2	**16,453**
thereof currency translation differences	–	16,473	–	**16,473**	2	**16,475**
thereof change in available-for-sale financial assets, net of tax	–	(20)	–	**(20)**	–	**(20)**
thereof change in hedging instruments for cash flow hedges, net of tax	–	(2)	–	**(2)**	–	**(2)**
Total comprehensive income for the period	–	16,451	510	**16,961**	–	**16,961**
30 June 2012 [1]	**45,535**	**39,006**	**210,031**	**294,572**	**(55)**	**294,517**
31 March 2013 [1]	**45,914**	**42,351**	**216,630**	**304,895**	**(51)**	**304,844**
Profit for the period	–	–	6,606	**6,606**	6	**6,612**
Other comprehensive income for the period	–	(4,727)	–	**(4,727)**	(2)	**(4,729)**
thereof currency translation differences	–	(4,760)	–	**(4,760)**	(2)	**(4,762)**
thereof change in available-for-sale financial assets, net of tax	–	–	–	**–**	–	**–**
thereof change in hedging instruments for cash flow hedges, net of tax	–	33	–	**33**	–	**33**
Total comprehensive income for the period	–	(4,727)	6,606	**1,879**	4	**1,883**
30 June 2013	**45,914**	**37,624**	**223,236**	**306,774**	**(47)**	**306,727**

[1] Adjusted in application of IAS 19 revised

Segment Reporting

1 April - 30 June 2013

(in EUR 1,000)	Mobile Devices	Industrial & Automotive	Others	Elimination/ Consolidation	Group
Segment revenues	87,434	66,772	1,910	(13,575)	142,541
Intersegment revenues	(12,947)	(414)	(214)	13,575	–
Revenue from external customers	74,487	66,358	1,696	–	142,541
Operating result	9,688	366	384	2	10,440
Finance costs - net					(3,341)
Profit before tax					7,099
Income taxes					(487)
Profit for the period					**6,612**
Property, plant and equipment and intangible assets	378,502	49,967	3,011	–	431,480
Investments	10,895	1,540	58	–	12,493
Depreciation/amortisation	15,289	2,115	268	–	17,672
Non-recurring items	–	3,004	–	–	3,004

1 April - 30 June 2012 [1)]

(in EUR 1,000)	Mobile Devices	Industrial & Automotive	Others	Elimination/ Consolidation	Group
Segment revenues	78,569	56,052	392	(8,979)	126,034
Intersegment revenues	(8,782)	(167)	(30)	8,979	–
Revenue from external customers	69,787	55,884	362	–	126,034
Operating result	1,414	2,470	(191)	7	3,700
Finance costs - net					(3,681)
Profit before tax					19
Income taxes					489
Profit for the period					**508**
Property, plant and equipment and intangible assets	409,006	50,918	8,593	–	468,517
Investments	12,839	830	713	–	14,382
Depreciation/amortisation	14,792	1,996	560	–	17,348
Non-recurring items	–	–	–	–	–

[1)] Adjusted in application of IAS 19 revised

Additional information

Revenues broken down by customer region:

	1 April - 30 June	
(in EUR 1,000)	2013	2012
Austria	4,829	4,790
Germany	32,183	32,085
Hungary	3,972	5,862
Other European countries	14,354	11,176
Asia	58,489	56,319
Canada, USA, Mexico	26,260	13,965
Other	2,454	1,837
	142,541	**126,034**

Property, plant and equipment and intangible assets broken down by domicile:

	30 June	31 March
(in EUR 1,000)	2013	2013
Austria	25,835	26,056
China	378,461	383,157
Others	27,184	30,502
	431,480	**439,715**

Notes to the Interim Financial Report

GENERAL

ACCOUNTING AND VALUATION POLICIES The interim report for the quarter ended 30 June 2013 has been prepared in accordance with the standards (IFRS and IAS) and interpretations (IFRIC and SIC) of the International Accounting Standards Board (IASB), taking IAS 34 into account, as adopted by the European Union.

The consolidated interim financial statements do not include all the information contained in the consolidated annual financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2013.

In June 2011 the International Accounting Standards Board (IASB) published amendments to IAS 19 *Employee Benefits* (IAS 19 revised). The revised IAS 19 replaces the expected return on plan assets and the interest cost on pension obligations with the net interest expense or income. Actuarial gains and losses, effects of the limit on net asset value (asset ceiling), and in part also the actual income from plan assets are to be recognised as remeasurements in the period in which they arise, as part of other comprehensive income (OCI) under equity. The corridor method and the immediate recognition of actuarial gains and losses through profit or loss are no longer permissible. The revised IAS 19 prescribes retroactive application and requires disclosure of the effects of first-time application on the opening balance sheet. These changes were applicable for the first time in the current interim financial statements, and the comparative figures have accordingly been restated. The equity ratio as at 31 March 2013 was reduced from 43% to 42%.

The consolidated interim statements for the three months ended 30 June 2013 are unaudited and have not been the subject of external audit review.

NOTES TO THE STATEMENT OF PROFIT OR LOSS

REVENUE Sales in the first quarter of the current financial year EUR 142.5m were 13% higher than in the same period last year.

This positive development reflected improved sales in all business segments. Thanks to continuing strong demand for smartphones, sales in Mobile Devices were up 7%. Industrial & Automotive sales were markedly up, by 19%, on the same period last year. Automotive and Medical & Healthcare in particular generated growth, while Industrial was also able to report a modest increase in sales in spite of the overall economic situation.

In terms of customer locations, sales in all geographic regions also rose. The greatest increase was from 11% to 18% with our American customers.

The geographic distribution of production volumes – 74% in Asia and 26% in Europe – showed a slight shift towards Asia in comparison with the same period last year, when the split was 73% to 27%.

GROSS PROFIT The results for the first quarter of the current financial year show the highest gross profit — EUR 26.8m — ever achieved in a single quarter. This highly satisfactory outcome is attributable to good capacity utilisation and to the unrelenting pursuit of increased efficiency.

From the segment perspective, Industrial & Automotive maintained its last year's gross margin of 16%, while Mobile Devices achieved an improvement from 9% to 19%.

OPERATING RESULT On the basis of the very satisfactory gross profit the operating profit achieved of EUR 10.4m or 7.3% was also highly satisfactory. Management's decision to close the Klagenfurt plant because of its continuing losses meant that a provision of EUR 3.0m in expenses for the first quarter of the financial year became necessary. The overall operating profit before taking this non-recurring item of EUR 13.4m into account and the corresponding margin of 9.4% were the fourth-highest quarterly results ever achieved by the Group.

FINANCE COSTS - NET The changed financing structure and lower interest rates meant that interest expense fell by roughly EUR 0.5m to EUR 3.1m. Currency fluctuations were responsible for expenses of some EUR 0.2m. Total financial expenditure of EUR 3.3m was EUR 0.3m less than in the same period last year.

INCOME TAXES The change – as compared with the same period last year – in the effective rate of tax on a consolidated basis is principally a consequence of the varying proportions of Group earnings contributed by individual companies with different tax rates and subject to different tax regulations.

Income Taxes are also significantly affected by the measurement of deferred taxation: for a large part of the tax loss carryforwards arising, no deferred tax assets have been recognised, since the likelihood of their being realisable in the foreseeable future is low.

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

CURRENCY TRANSLATION DIFFERENCES The negative variation of EUR -4.8m in the foreign currency translation reserve in the first quarter of the current financial year was the result of the changes in exchange rates of the Group's functional currencies, the Chinese renminbi, the Hong Kong dollar, the US dollar and the Indian rupee against the Group reporting currency, the euro.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

ASSETS AND FINANCES Net debt of EUR 199.3m was less than the EUR 217.4m outstanding at 31 March 2013. Net current assets fell from EUR 102.7m at 31 March 2013 to EUR 96.4m. The net gearing ratio of 65% at the end of the quarter was also significantly lower than the 71% achieved at the end of the most recent financial year.

Consolidated equity increased from EUR 304.8m at the end of the financial year to EUR 306.7m. The consolidated profit for the period of EUR 6.6m was in part reduced by unfavourable exchange rate differences, so that total comprehensive income came out at EUR 1.9m.

TREASURY SHARES In the 19th Annual General Meeting of 4 July 2013 the Management Board was again authorised for a period of 30 months from the date of the resolution to acquire and retire the Company's own shares up to a maximum amount of 10% of the share capital. The Management Board was also again authorised – for a period of five years (i.e., until 3 July 2018) and subject to the approval of the Supervisory Board – to dispose of treasury shares otherwise than through the stock exchange or by means of public offerings, and in particular for the purpose of enabling the exercise of employee stock options or the conversion of convertible bonds, or as consideration for the acquisition of businesses or other assets.

No further treasury shares were acquired under the share repurchase scheme in the first quarter of this financial year. At 30 June 2013 and taking into account the stock options exercised, the Group held the same number of treasury shares – 2,577,412 shares, or 9.95% of the issued share capital – as at 31 March 2013, with a total acquisition cost of EUR 46.6m.

NOTES TO THE STATEMENT OF CASH FLOWS

Net cash generated by operating activities in the first quarter of the financial year 2013/14 amounted to EUR 27.5m, compared with EUR 6.1m in the same period last year. The main reason for this considerable increase was the EUR 12.2 m reduction in working capital, and the EUR 6.1m increase in profit for the period.

The net cash used in investing activities amounted to EUR -11.0m, roughly comparable to last year's level. The investments in the current financial year are for replacements in Shanghai together with investments in the new production facility in Chongqing.

Cash inflows from financing activities came to EUR 2.0m.

OTHER INFORMATION

DIVIDENDS After the end of the first quarter of the current financial year, the Annual General Meeting of 4 July 2013 resolved on a dividend of EUR 0.20 per share out of retained earnings as at 31 March 2013.

RELATED PARTY TRANSACTIONS In the first quarter of the current financial year fees of EUR 91,000 payable to AIC Androsch International Management Consulting GmbH were incurred in connection with various projects.

Leoben-Hinterberg, 23 July 2013

Management Board

Andreas Gerstenmayer m.p.
Heinz Moitzi m.p.

Group Interim Management Report

BUSINESS DEVELOPMENTS AND PERFORMANCE Compared with the low level of demand in the early months of last financial year, the results for the first three months of the financial year 2013/14 were thoroughly satisfactory. This was largely the result of excellent capacity utilisation in our Shanghai plant.

There were significant increases in quarterly sales in all segments compared with the same period last year, with a disproportionate increase in Industrial & Automotive, which now constitutes 47% of our total business. The increase for Industrial & Automotive was 19%, compared with 7% for Mobile Devices.

In terms of customer regions, sales increased in America, and in Asia and Europe. The proportion of printed circuit board sales produced in Asia – 74% – was more or less unchanged from last year.

In the first quarter of the current financial year capacity utilisation was good in all AT&S plants, and correspondingly, the gross profit for the quarter was the highest in AT&S's history.

In the light of the continuing loss-making situation in the Klagenfurt plant, in May 2013 the Management Board decided to close it. A provision of EUR 3.0m has been charged to expense, in spite of which EBIT amounted to EUR 10.4m, and the EBIT margin was 7.3%.

MATERIAL EVENTS AFTER THE END OF THE REPORTING PERIOD There were no material events after the end of the period under review.

SIGNIFICANT RISKS, UNCERTAINTIES AND OPPORTUNITIES There were no material differences in the categories of risk exposure in the course of the first quarter of the financial year 2013/14 compared with those described in detail in the notes to the 2012/13 consolidated financial statements under II. Risk Report.

AT&S's liquidity is excellent. The issue of a five-year EUR 100m bond in November 2011 and the provision of a long-term loan by Österreichische Kontrollbank in April 2012 mean that ample long-term funds are available. The EUR 80m bond that matured in May 2013 has been replaced by money market financing. Sufficient short-term credit facilities are also available to cover working capital requirements. In addition to this, on the basis of the authorisation conferred in the Annual General Meeting of 4 July 2013, the Management Board also has the option of issuing up to 12,950,000 new shares out of authorised capital and convertible bonds up to a nominal value of EUR 100,000,000, and may dispose of treasury shares. All opportunities to optimise the financing of the investment in Chongqing are under constant review.

In the first quarter of the current financial year there was a significant positive cash flow from operating activities. On the basis of expected continuing net cash inflows from operating activities and the extensive financing options, enough liquidity is available to cover all currently planned and potential future investments.

For more information on the use of financial instruments, please refer to the detailed Risk Report in the notes to the consolidated annual financial statements 2012/13. Changes in the exchange rates of functional currencies against the reporting currency, the euro, are mainly recognised directly in equity without affecting profit and loss.

Net gearing of 65% at 30 June 2013 was significantly lower than at the end of the financial year 2012/13. Unfavourable currency translation differences caused by the rise of the euro against the Chinese renminbi, the Hong Kong dollar, the US dollar and the Indian rupee led to a reduction of equity.

At the start of the current financial year, AT&S considerably exceeded its external growth expectations. With respect to the opportunities and risks related to developments in the external environment for the financial year 2013/14 as a whole, the assumption is still that total sales of the printed circuit board industry worldwide will increase.

OUTLOOK Provided the macroeconomic environment remains stable, we are expecting further sales and earnings growth. However, the volatility of the global economy continues to make it very difficult to reliably quantify future requirements, which in turn makes forecasting future performance more uncertain.

Leoben-Hinterberg, 23 July 2013

Management Board

Andreas Gerstenmayer m.p.
Heinz Moitzi m.p.

Contact details and credits

CONTACT

AT & S Austria Technologie & Systemtechnik
Aktiengesellschaft
Fabriksgasse 13
A-8700 Leoben
Austria
Tel: +43 (0)3842 200-0
Fax: +43 (0)3842 200-216
www.ats.net

PUBLIC RELATIONS AND INVESTOR RELATIONS

Martin Theyer
Tel.: +43 (0)3842 200-5909
E-mail: m.theyer@ats.net

EDITORIAL TEAM

Michael Dunst
Christina Schuller
Monika Stoisser-Göhring
Martin Theyer

PUBLISHED BY AND RESPONSIBLE FOR CONTENT

AT & S Austria Technologie & Systemtechnik
Aktiengesellschaft
Fabriksgasse 13
A-8700 Leoben
Austria
www.ats.net

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AT & S Austria Technologie &
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Fabriksgasse 13
8700 Leoben
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