



**More than
AT&S**

Key figures

EARNINGS DATA AND GENERAL INFORMATION	Unit	Q1-3 2016/17	Q1-3 2017/18	Change in %
Revenue	€ in millions	615.1	765.9	24.5%
thereof produced in Asia	%	82%	85%	–
thereof produced in Europe	%	18%	15%	–
Cost of sales	€ in millions	566.4	626.4	10.6%
Gross profit	€ in millions	48.7	139.5	>100%
Gross profit margin	%	7.9%	18.2%	–
EBITDA	€ in millions	102.1	190.3	86.3%
EBITDA margin	%	16.6%	24.8%	–
EBIT	€ in millions	11.8	88.8	>100%
EBIT margin	%	1.9%	11.6%	–
Profit/(loss) for the period	€ in millions	(19.7)	47.8	>100%
Profit/(loss) for the period attributable to owners of the parent company	€ in millions	(19.7)	46.9	>100%
ROE (Return on equity) ¹⁾	%	(4.7%)	10.3%	–
ROCE (Return on capital employed) ¹⁾	%	(0.2%)	8.6%	–
ROS (Return on sales)	%	(3.2%)	6.2%	–
Cash flow from operating activities (OCF)	€ in millions	16.8	121.0	>100%
Net CAPEX	€ in millions	192.3	124.6	(35.2%)
Operating free cash flow ²⁾	€ in millions	(175.5)	(3.6)	97.9%
Free cash flow ³⁾	€ in millions	(91.8)	(125.6)	(36.8%)
Employees (incl. leased personnel), end of reporting period	–	9,809	10,089	2.8%
Employees (incl. leased personnel), average	–	9,452	10,039	6.2%
BALANCE SHEET DATA		31 Mar 2017	31 Dec 2017	
Total assets	€ in millions	1,436.7	1,533.4	6.7%
Total equity ⁴⁾	€ in millions	540.1	699.1	29.4%
Equity ratio	%	37.6%	45.6%	–
Net debt	€ in millions	380.5	217.0	(43.0%)
Net gearing	%	70.5%	31.0%	–
Net working capital	€ in millions	24.4	73.4	>100%
Net working capital per revenue	%	3.0%	7.2%	–
STOCK EXCHANGE DATA		Q1-3 2016/17	Q1-3 2017/18	
Shares outstanding, end of reporting period	–	38,850,000	38,850,000	–
Weighted average number of shares outstanding	–	38,850,000	38,850,000	–
Earnings per shares outstanding end of reporting period	€	(0.51)	1.21	>100%
Earnings per average number of shares outstanding	€	(0.51)	1.21	>100%
Market capitalisation, end of reporting period	€ in millions	361.7	914.5	>100%
Market capitalisation per equity ⁵⁾	%	66.1% ⁶⁾	130.8%	–

¹⁾ Calculated on the basis of average values

²⁾ OCF minus Net CAPEX

³⁾ OCF minus Cash flow from investing activities

⁴⁾ Equity including hybrid capital

⁵⁾ Equity attributable to owners of the parent company

⁶⁾ Calculated on the basis of the Equity as of 31 Dec 2016

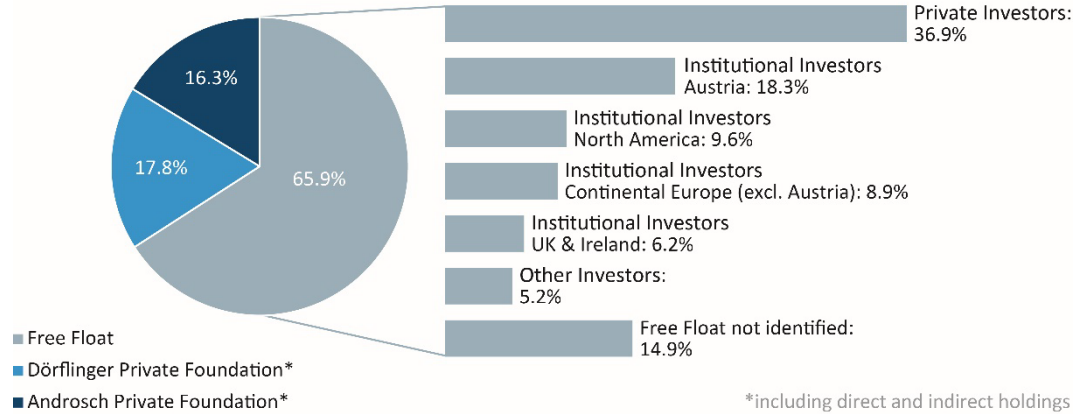
Summary

- Generally high operating performance (utilisation, yield, efficiency)
- Successful introduction and optimisation of the new technology generation with a leading market position
- Very good product mix, especially in the third quarter
- Revenue up 24.5% to € 765.9 million
- EBITDA increased by 86.3% to € 190.3 million
- EBITDA margin up 8.2 percentage points: 24.8%
- Profit for the period increased from € -19.7 million to € 47.9 million
- Earnings per share of € 1.21 € vs. loss per share of € -0.51 in the previous year
- Net investments in tangible and intangible assets in the first nine months: € 124.6 million
- Successful placement of a € 175 million hybrid bond with a coupon of 4.75%
- Equity strengthened through issue of hybrid bond and profit for the period: 45.6% – despite negative FX effects.
- Net debt reduced to € 217.0 million, net gearing ratio: 31.0%.
- Outlook 2017/18: Due to the positive development in the first nine months, the management expects the EBITDA margin to slightly exceed the fore cast of 19-22%.



AT&S share

SHAREHOLDER STRUCTURE



DEVELOPMENTS IN THE CAPITAL MARKET IN THE FIRST NINE MONTHS OF 2017/18

The political developments in the USA as well as geopolitical tensions repeatedly caused temporary uncertainty, but overall the economic and corporate data were better than expected and provided for a positive underlying sentiment in the global capital markets. In terms of currency development, the euro performed particularly well and strengthened significantly against the US dollar, temporarily exceeding the level of USD 1.20.

In the third quarter of the AT&S financial year 2017/18, the US leading index, the Dow Jones Industrial Average, climbed 10.3%, factoring in a major US corporate tax reform among other things, and marked a new all-time high. In contrast, in Europe, the development of the Euro STOXX 50 was less favourable with a decline by -2.5%. However, the Austrian leading index ATX and the broader-based ATX Prime saw gains of 3.1% and 3.5%, respectively, in the past quarter.

AT&S AGAINST ATX PRIME AND TEC DAX



PERFORMANCE AND LIQUIDITY OF THE AT&S SHARE The AT&S share recorded a strong development in the third quarter of the financial year, gaining 96.2%, and also marked an all-time high at € 24.99. The AT&S share closed at a price of € 23.54 on 29 December 2017 and recorded a 128.8% increase in the first nine months of the AT&S financial year (closing price at 31 March 2017: € 10.29) auf. The daily volume of AT&S shares traded on the Vienna Stock Exchange in the first nine months of the financial year increased by nearly a third to an average of 103,419 shares per day (previous year: 78,841 shares; single count). The combination of a higher volume traded and the higher share price caused the average daily trading turnover, at € 1,686,355, to exceed the prior-year figure of € 842,714 (single count) by roughly 100%.

In the first three quarters of the financial year 2017/18, the main focus of the AT&S capital communication was on informing existing and potential investors and analysts about current developments in the customer segments, progress made at Plant 1 in Chongqing and the ramp-up of the new technology generation at Plant 2 in Chongqing as well as the future positioning of AT&S. This was done in several one-on-one meetings and phone calls, and above all at investor conferences. In November, the road show programme focused on the hybrid bond, which was subsequently successfully placed.

At the time of the publication of this report on the first three quarters of the financial year, the AT&S share is covered by analysts of five investment banks. They issued two “buy” recommendations, two “hold” recommendations and one “reduce” recommendation.

KEY SHARE FIGURES FOR THE FIRST SIX MONTHS

€	30 Sep 2017	30 Sep 2016
Earnings per share	1.21	(0.51)
High	24.99	13.43
Low	9.16	9.07
Close	23.54	9.31

AT&S SHARE – VIENNA STOCK EXCHANGE

Shares outstanding	38,850,000
Security ID number	922230
ISIN-Code	AT0000969985
Symbol	ATS
Thomson Reuters	ATSV.VI
Bloomberg	ATS:AV
Indices	ATX Prime, ATX GP, WBI, VÖNIX

FINANCIAL CALENDAR

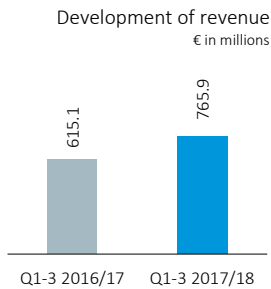
08 May 2018	Annual results 2017/18
25 June 2018	Record date Annual General Meeting
05 July 2018	24 th Annual General Meeting

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Group Interim Management Report

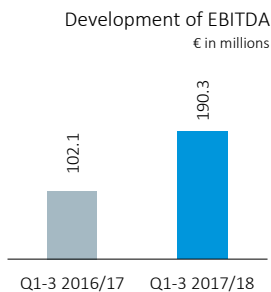


BUSINESS DEVELOPMENTS AND SITUATION AT&S continued the very positive trend of the first half of the year and significantly exceeded all revenue and earnings figures of the prior-year period in the first nine months of the financial year 2017/18. Revenue rose by € 150.8 million or 24.5% from € 615.1 million to € 765.9 million. This increase resulted from generally strong demand and the additional revenue from the two plants in Chongqing. In general, the product mix continued to improve in the first nine months. Demand for printed circuit boards for mobile devices exceeded the level of the previous year and was met despite the partial conversion of our Shanghai plant and the resulting reduction of capacity. The Automotive, Industrial, Medical segment increased its revenue in all business units. The Advanced Packaging business unit, which is part of the Others segment, recorded a project-related decline. Exchange rate effects, especially due to the weaker US dollar, had a negative impact of € 23.9 million on revenue development. The share of products made in Asia rose from 82% in the previous year to 85% in the current financial year.

Result key data

€ in millions (unless otherwise stated)

	Q1-3 2017/18	Q1-3 2016/17	Change in %
Revenue	765.9	615.1	24.5%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	190.3	102.1	86.3%
EBITDA margin (%)	24.8%	16.6%	
Operating result (EBIT)	88.8	11.8	>100%
EBIT margin (%)	11.6%	1.9%	
Profit/(loss) for the period	47.8	(19.7)	>100%
Earnings per share (€)	1.21	(0.51)	>100%
Additions to property, plant and equipment and intangible assets	85.7	186.3	(54.0%)
Average number of staff (incl. leased personnel)	10,039	9,452	6.2%

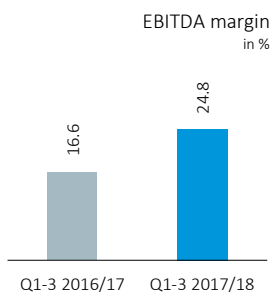


EBITDA improved by € 88.2 million or 86.3% from € 102.1 million to € 190.3 million. The increase primarily results from a generally strong operating performance (utilisation, yield, efficiency) and the successful introduction and rapid optimisation of the new technology generation, where AT&S holds a leading market position. This development was supported by a positive product mix, especially in the third quarter, and a favourable currency development for production costs based on the weaker development of the Chinese renminbi against the euro. A negative impact on earnings was caused by continued high raw material prices and price pressure, above all in the area of IC substrates.

No adjusted results are presented in the current financial year since the Chongqing project is also included in the prior-year period and the figures are therefore comparable.

The EBITDA margin amounted to 24.8% in the first nine months, up 8.2 percentage points on the prior-year level of 16.6%. The comparative figures of the previous year were characterised by the ramp-up of the two new plants in Chongqing, which entailed fixed production costs while earnings were still low.

Depreciation and amortisation rose by € 11.2 million or 12.4% compared with the previous year, from € 90.3 million to € 101.5 million. This is due to an increase in depreciation and amortisation by € 15.1 million at the plants in Chongqing and by € 0.3 million at the other sites. This increase was partially offset by positive currency effects of € 4.2 million.



EBIT rose by € 77.0 million from € 11.8 million to € 88.8 million and improved to a lesser extent than EBITDA due to higher depreciation and amortisation. The EBIT margin amounted to 11.6% (previous year: 1.9%).

Finance costs – net improved significantly from € -18.6 million to € -11.3 million. Despite higher average gross debt, gross interest expenses, at € 10.8 million, were 12.1% below the prior-year level of € 12.2 million due to the repayment of the high-interest bond. No interest expenses were capitalised in the current financial year (previous year: € 2.2 million). Interest income, at € 0.7 million, was € 0.5 million below the prior-year level of € 1.2 million. Apart from lower average cash and cash equivalents, this decline also resulted from the highly negative interest environment for investments in the EUR area. Exchange rate effects improved finance costs by € 2.0 million in the first nine months (previous year: expense of € 8.2 million).

Tax expenses amounted to € 29.7 million in the first nine months (previous year: € 13.0 million). The increase resulted from higher profits and the fact that the reduced tax rate at AT&S (China) Company Limited has no longer been applicable since 31 December 2016 (efforts are currently made to return to the favoured tax scheme).

Despite the increase in tax expense, the profit for the period increased significantly by € 67.5 million from a loss of € -19.7 million to € 47.8 million due the substantial improvement in the operating result and in finance costs. This led to an increase in earnings per share from € -0.51 to € 1.21.

FINANCIAL POSITION Total assets increased by € 96.7 million or 6.7% from € 1,436.7 million to € 1,533.4 million in the first nine months. The increase based on additions to assets for the new plants in Chongqing amounting to € 26.7 million and technology upgrades at the other sites amounting to € 55.8 million (the additions to assets led to cash CAPEX of € 125.2 million) were offset by depreciation and amortisation totalling € 101.5 million. Furthermore, exchange rate effects reduced fixed assets by € 53.0 million. The increase in inventories from € 108.8 million to € 132.1 million is primarily attributable to the seasonal inventory build-up in the Mobile Devices & Substrates segment. The increase in receivables results from higher revenue and the expiry of optimisation measures.

Cash and cash equivalents were maintained at a high level and amounted to € 197.5 million (31 March 2017: € 203.5 million). In addition to cash and cash equivalents, AT&S has financial assets of € 130.4 million and unused credit lines of € 191,0 million as a financial reserve.

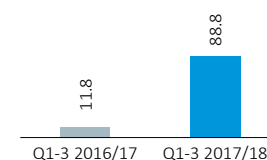
On 17 November 2017, the issue of a hybrid bond at a nominal amount of € 175.0 million and an annual coupon of 4.75% was successfully completed. The subordinated bond has a perpetual maturity and can first be called in after five years by AT&S, but not by the creditors. If the bond is not called in after this period, the mark-up on the coupon then valid increases by another 5.0 percentage points. Since this instrument meets the criteria of equity in accordance with IAS 32, the net proceeds (issue volume less issue costs taking into account tax effects) is presented as part of equity. The issue costs recorded so far amounted to € 2.0 million.

Equity increased by € 159.0 million or 29.4% from € 540.1 million to € 699.1 million. The increase resulted from the net proceeds of the hybrid bond of € 173.0 million and the profit for the period € 47.8 million. Negative currency differences of € 57.9 million resulting from the translation of the net asset position of subsidiaries and the translation of long-term loans to subsidiaries, as well as the dividend payment of € 3.9 million had reducing effect on equity.

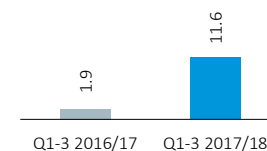
Based on the higher equity the equity ratio, at 45.6%, was 8.0 percentage points higher than at 31 March 2017.

Net debt decreased by € 163.5 million or 43.0% from € 380.5 million to € 217.0 million. Cash flow from operating activities amounted to € 121.0 million in the first nine months of 2017/18 (previous year: € 16.8 million). Cash inflows were offset by cash outflows for net investments of € 124.6 million (previous

Development of EBIT in %



EBIT margin in %



year: € 192.3 million), resulting in a nearly balanced free cash flow from operations of € -3.6 million (previous year: € -175.5 million) although investment activity is still high and despite the seasonal build-up of working capital. Moreover, net debt was reduced by the net proceeds from the hybrid bond of € 173.0 million (previous year: € 0.0 million) and inflows from government grants of € 3.2 million (previous year: € 6.4 million), and increased by the dividend payment of € 3.9 million (previous year: € 14.0 million).

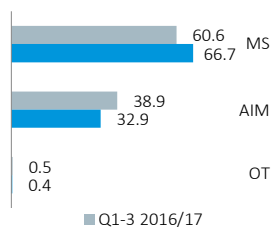
The net gearing ratio, at 31.0%, is significantly lower than at 31 March 2017, at 70.5%. This substantial decline is primarily attributable to the hybrid bond, which has led to a reduction of net debt on the one hand on to a significant increase in equity on the other hand.

BUSINESS DEVELOPMENT BY SEGMENTS The AT&S Group breaks its operating activities down into three segments: Mobile Devices & Substrates (MS), Automotive, Industrial, Medical (AIM), and Others (OT). For further information on the segments and segment reporting please refer to the Annual Report 2016/17.

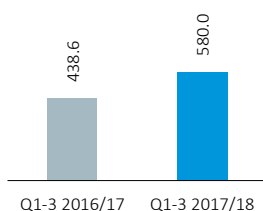
AT&S has successfully positioned itself as a high-end manufacturer in all three segments. The share of the Mobile Devices & Substrates segment in total external revenue rose from 60.6% to 66.7%. The share of the Automotive, Industrial, Medical segment declined to 32.9% (previous year: 38.9%) despite an increase in absolute terms. The significance of the Others segment remained nearly constant at 0.4%.

MOBILE DEVICES & SUBSTRATES SEGMENT Demand for high-end printed circuit boards for mobile devices recorded a very positive development in the first nine months and was met because of the successful introduction and rapid optimisation of the new technology generation despite reduced capacity due to a partial conversion of the plant in Shanghai. The segment also benefited from substantially higher revenue from IC substrates at the two plants in Chongqing, which were generated after the second line was ramped up successfully. Due to these effects, revenue increased by € 141.4 million or 32.2%, from € 438.6 million to € 580.0 million despite negative exchange rate effects.

Revenue from external customers by segment in %



Mobile Devices & Substrates Development of revenue € in millions



Mobile Devices & Substrates segment – overview

€ in millions (unless otherwise stated)

	Q1-3 2017/18	Q1-3 2016/17	Change in %
Segment revenue	580.0	438.6	32.2%
Revenue from external customers	510.8	372.9	37.0%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	155.3	56.1	>100%
EBITDA margin (%)	26.8%	12.8%	
Operating result (EBIT)	67.2	(21.9)	>100%
EBIT margin (%)	11.6%	(5.0%)	
Additions to property, plant and equipment and intangible assets	67.6	169.2	(60.0%)
Employees (incl. leased personnel), average	7,141	6,624	7.8%

EBITDA improved by € 99.2 million or 176.8% from € 56.1 million to € 155.3 million. The increase in EBITDA is based on general efficiency enhancement measures and higher contribution margins. Exchange rate developments burdened the segment. Higher raw material prices and the continued price pressure – especially for IC substrates – also had a negative impact. Overall, this resulted in an EBITDA margin of 26.8% which clearly exceeds the comparative value of 12.8% in the previous year.

The segment's depreciation and amortisation rose by € 10.3 million or 13.2% from € 77.9 million to € 88.2 million. The increase predominantly resulted from depreciation at the two new plants in Chongqing, which was partially offset by exchange rate effects. EBIT amounted to € 67.2 million, and was € 89.1 million higher than the prior-year figure of € -21.9 million. The resulting EBIT margin amounts to 11.6% (previous year: -5.0%).

At the Chongqing site, additions to assets of € 26.7 million were recorded in the first nine months (previous year: € 118.5 million). The other additions were related to technology upgrades at the Shanghai plant. The increase in the number of employees by 517 persons is primarily attributable to the establishment of the Chongqing plant.

AUTOMOTIVE, INDUSTRIAL, MEDICAL SEGMENT With an increase of € 8.8 million or 3.4%, revenue in this segment rose from € 262.0 million in the previous year to € 270.8 million. The increase in revenue resulted from strong demand by all three business segments, but especially from Industrial and Medical. The slightly lower demand in the Mobile Devices & Substrates segment and the Others segment were thus overcompensated.

Automotive, Industrial, Medical segment – overview

€ in millions (unless otherwise stated)

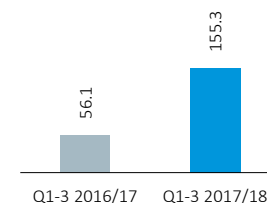
	Q1-3 2017/18	Q1-3 2016/17	Change in %
Segment revenue	270.8	262.0	3.4%
Revenue from external customers	251.6	239.2	5.2%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	32.3	37.0	(12.6%)
EBITDA margin (%)	11.9%	14.1%	
Operating result (EBIT)	20.0	25.8	(22.4%)
EBIT margin (%)	7.4%	9.8%	
Additions to property, plant and equipment and intangible assets	17.1	16.3	5.0%
Employees (incl. leased personnel), average	2,737	2,673	2.4%

At € 32.3 million, the segment's EBITDA was lower than in the previous year. The comparative figures of the previous year included the reversal of a provision for unused building space of € 3.3 million as this space is used again.

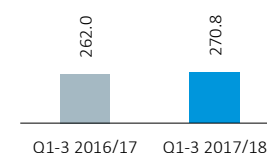
The EBITDA margin declined from 14.1% to 11.9%, down 2.2 percentage points on the previous year. Negative exchange rate effects, higher raw material prices and the non-recurrence of a one-off effect due to the reversal of a provision of the previous year had a negative impact on earnings. These effects were partially compensated by an improved product mix and efficiency enhancement measures.

The segment's depreciation and amortisation rose by € 1.1 million or 9.8% from € 11.2 million to € 12.3 million. EBIT decreased by € 5.8 million or 22.5% from € 25.8 million to € 20.0 million.

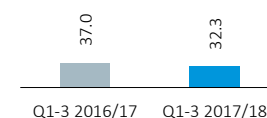
Mobile Devices & Substrates
EBITDA Development
€ in millions



Automotive, Industrial, Medical
Development of revenue
€ in millions



Automotive, Industrial, Medical
EBITDA Development
€ in millions



Additions to assets, at € 17.1 million, exceeded the prior-year value of € 16.3 million. The increase resulted from investments in capacity expansions at the Nanjangud site.

OTHERS SEGMENT The business unit Advanced Packaging, which is part of the Others segment, recorded a decrease in revenue by € 4.5 million or -39.1% to € 7.0 million (previous year: € 11.5 million). Since the business unit is still in the process of being established, business is strongly project-driven, which results in more volatile revenue developments.

In line with the development of revenue, EBITDA and EBIT of the business unit Advanced Packaging also decreased. The costs of general holding activities, which are included in the Others segment, exceeded the level of the previous year due to one-off effects.

Others segment – overview

€ in millions (unless otherwise stated)

	Q1-3 2017/18	Q1-3 2016/17	Change in %
Segment revenue	7.0	11.5	(39.1%)
Revenue from external customers	3.5	3.0	16.0%
Operating result before interest, tax, depreciation and amortisation (EBITDA)	2.5	9.1	(72.0%)
EBITDA margin (%)	36.2%	78.7%	
Operating result (EBIT)	1.6	7.9	(80.5%)
EBIT margin (%)	22.1%	68.8%	
Additions to property, plant and equipment and intangible assets	1.0	0.9	20.3%
Employees (incl. leased personnel), average	162	155	4.1%

SIGNIFICANT EVENTS AFTER THE INTERIM REPORTING PERIOD No significant events occurred after the end of the interim reporting period.

SIGNIFICANT RISKS, UNCERTAINTIES AND OPPORTUNITIES In the Group Management Report of the consolidated financial statements 2016/17 the relevant risk categories are explained in detail under section 6 “Risk and opportunities management”, which still apply at the reporting date. As described in this chapter, incorrect assessments of technological developments, changes in demand and negative price developments can have severe adverse effects on the intrinsic value of investments. This may have an impact, in particular, on the IC substrate business, but also on all current AT&S business activities in general.

OUTLOOK The Management Board expects the usual seasonality for the fourth quarter of the financial year 2017/18. For the full financial year, AT&S expects revenue growth of 20-25% subject to a continued stable market environment and a stable exchange rate development. Due to the positive development in the first nine months, the management expects the EBITDA margin to slightly exceed the forecast from October 2017 of 19-22%, and additional depreciation of roughly € 15 million.

Leoben-Hinterberg, 30 January 2018

Management Board

Andreas Gerstenmayer m.p.

Monika Stoisser-Göhring m.p.

Heinz Moitzi m.p.

Interim Financial Report (IFRS)

Consolidated Statement of Profit or Loss

€ in thousands	01 Oct - 31 Dec 2017	01 Oct - 31 Dec 2016	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016
Revenue	280,220	228,553	765,900	615,063
Cost of sales	(211,108)	(201,938)	(626,435)	(566,396)
Gross profit	69,112	26,615	139,465	48,667
Distribution costs	(7,597)	(7,777)	(23,806)	(21,725)
General and administrative costs	(11,095)	(6,918)	(28,981)	(20,023)
Other operating income	2,993	5,745	5,970	11,200
Other operating costs	(1,489)	(7)	(3,847)	(6,279)
Other operating result	1,504	5,738	2,123	4,921
Operating result	51,924	17,658	88,801	11,840
Finance income	436	758	2,491	1,855
Finance costs	(6,143)	(9,263)	(13,774)	(20,406)
Finance costs – net	(5,707)	(8,505)	(11,283)	(18,551)
Profit/(loss) before tax	46,217	9,153	77,518	(6,711)
Income taxes	(13,875)	(14,063)	(29,742)	(13,038)
Profit/(loss) for the period	32,342	(4,910)	47,776	(19,749)
Attributable to shareholders of the parent company	31,499	(4,910)	46,933	(19,749)
Share planned for hybrid capital owners	843	–	843	–
Earnings per share attributable to equity holders of the parent company (in € per share):				
– basic	0.81	(0.13)	1.21	(0.51)
– diluted	0.81	(0.13)	1.21	(0.51)
Weighted average number of shares outstanding – basic (in thousands)	38,850	38,850	38,850	38,850
Weighted average number of shares outstanding – diluted (in thousands)	38,850	38,850	38,850	38,850

Consolidated Statement of Comprehensive Income

€ in thousands	01 Oct - 31 Dec 2017	01 Oct - 31 Dec 2016	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016
Profit/(loss) for the period	32,342	(4,910)	47,776	(19,749)
Items to be reclassified:				
Currency translation differences	1,139	19,773	(57,893)	11,590
Gains from the fair value measurement of available-for-sale financial assets, net of tax	–	–	15	–
Gains/(losses) from the fair value measurement of hedging instruments for cash flow hedges, net of tax	45	–	(19)	–
Other comprehensive income for the period	1,184	19,773	(57,897)	11,590
Total comprehensive income for the period	33,526	14,863	(10,121)	(8,159)
Attributable to shareholders of the parent company	32,683	14,863	(10,964)	(8,159)
Share planned for hybrid capital owners	843	–	843	–

Consolidated Statement of Financial Position

€ in thousands	31 Dec 2017	31 Mar 2017
ASSETS		
Property, plant and equipment	774,440	833,095
Intangible assets	79,878	91,655
Financial assets	198	173
Deferred tax assets	41,685	38,659
Other non-current assets	57,612	65,781
Non-current assets	953,813	1,029,363
Inventories	132,108	108,844
Trade and other receivables	118,119	85,796
Financial assets	130,152	8,660
Current income tax receivables	1,727	546
Cash and cash equivalents	197,475	203,485
Current assets	579,581	407,331
Total assets	1,533,394	1,436,694
EQUITY		
Share capital	141,846	141,846
Other reserves	23,832	81,729
Hybrid capital	173,041	–
Retained earnings	360,410	316,519
Equity attributable to owners of the parent company	699,129	540,094
Total equity	699,129	540,094
LIABILITIES		
Financial liabilities	501,251	519,830
Provisions for employee benefits	35,405	34,282
Other provisions	41	47
Deferred tax liabilities	5,730	4,700
Other liabilities	13,689	10,990
Non-current liabilities	556,116	569,849
Trade and other payables	192,541	230,845
Financial liabilities	43,602	73,037
Current income tax payables	34,669	15,572
Other provisions	7,337	7,297
Current liabilities	278,149	326,751
Total liabilities	834,265	896,600
Total equity and liabilities	1,533,394	1,436,694

Consolidated Statement of Cash Flows

€ in thousands

01 Apr - 31 Dec 2017 01 Apr - 31 Dec 2016

Operating result	88,801	11,840
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	101,475	90,269
Gains/losses from the sale of fixed assets	433	(6)
Changes in non-current provisions	1,630	(1,112)
Non-cash expense/(income), net	3,108	(4,147)
Interest paid	(11,106)	(12,833)
Interest received	661	1,204
Income taxes paid	(14,697)	(10,706)
Cash flow from operating activities before changes in working capital	170,305	74,509
Inventories	(30,515)	(16,315)
Trade and other receivables	(34,203)	(64,400)
Trade and other payables	14,660	23,705
Other provisions	765	(695)
Cash flow from operating activities	121,012	16,804
Capital expenditure for property, plant and equipment and intangible assets	(125,199)	(195,184)
Proceeds from the sale of property, plant and equipment and intangible assets	556	2,907
Capital expenditure for financial assets	(124,508)	(82,001)
Proceeds from the sale of financial assets	2,539	165,628
Cash flow from investing activities	(246,612)	(108,650)
Proceeds from borrowings	63,175	207,807
Repayments of borrowings	(100,101)	(121,765)
Proceeds from issuing of hybrid capital	173,041	–
Proceeds from government grants	3,189	6,384
Dividends paid	(3,885)	(13,986)
Cash flow from financing activities	135,419	78,440
Change in cash and cash equivalents	9,819	(13,406)
Cash and cash equivalents at beginning of the year	203,485	171,866
Exchange gains/(losses) on cash and cash equivalents	(15,829)	3,350
Cash and cash equivalents at end of the period	197,475	161,810

Consolidated Statement of Changes in Equity

€ in thousands	Share capital	Other reserves	Hybrid capital	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
31 Mar 2016	141,846	73,688	–	353,402	568,936	–	568,936
Loss for the period	–	–	–	(19,749)	(19,749)	–	(19,749)
Other comprehensive income for the period	–	11,590	–	–	11,590	–	11,590
<i>thereof currency translation differences</i>	–	<i>11,590</i>	–	–	<i>11,590</i>	–	<i>11,590</i>
Total comprehensive income for the period	–	11,590	–	(19,749)	(8,159)	–	(8,159)
Dividends paid relating to 2015/16	–	–	–	(13,986)	(13,986)	–	(13,986)
31 Dec 2016	141,846	85,278	–	319,667	546,791	–	546,791
31 Mar 2017	141,846	81,729	–	316,519	540,094	–	540,094
Profit for the period	–	–	–	47,776	47,776	–	47,776
Other comprehensive income for the period	–	(57,897)	–	–	(57,897)	–	(57,897)
<i>thereof currency translation differences</i>	–	<i>(57,893)</i>	–	–	<i>(57,893)</i>	–	<i>(57,893)</i>
<i>thereof change in available-for-sale financial assets, net of tax</i>	–	<i>15</i>	–	–	<i>15</i>	–	<i>15</i>
<i>thereof change in hedging instruments for cash flow hedges, net of tax</i>	–	<i>(19)</i>	–	–	<i>(19)</i>	–	<i>(19)</i>
Total comprehensive income for the period	–	(57,897)	–	47,776	(10,121)	–	(10,121)
Dividends paid relating to 2016/17	–	–	–	(3,885)	(3,885)	–	(3,885)
Proceeds hybrid capital	–	–	173,041	–	173,041	–	173,041
31 Dec 2017	141,846	23,832	173,041	360,410	699,129	–	699,129

Segment Reporting

€ in thousands	Mobile Devices & Substrates		Automotive, Industrial, Medical		Others		Elimination/ Consolidation		Group	
	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016
Segment revenue	580,030	438,640	270,808	262,003	7,019	11,531	(91,957)	(97,111)	765,900	615,063
Internal revenue	(69,242)	(65,758)	(19,181)	(22,826)	(3,534)	(8,527)	91,957	97,111	–	–
External revenue	510,788	372,882	251,627	239,177	3,485	3,004	–	–	765,900	615,063
Operating result before depreciation/amortisation	155,345	56,079	32,312	36,957	2,544	9,070	75	3	190,276	102,109
Depreciation/amortisation incl. appreciation	(88,157)	(77,942)	(12,324)	(11,187)	(994)	(1,140)	–	–	(101,475)	(90,269)
Operating result	67,188	(21,863)	19,988	25,770	1,550	7,930	75	3	88,801	11,840
Finance costs - net									(11,283)	(18,551)
Profit/(loss) before tax									77,518	(6,711)
Income taxes									(29,742)	(13,038)
Profit/(loss) for the period									47,776	(19,749)
Property, plant and equipment and intangible assets ¹⁾	750,392	822,490	100,815	98,933	3,111	3,327	–	–	854,318	924,750
Additions to property, plant and equipment and intangible assets	67,603	169,192	17,105	16,291	1,032	857	–	–	85,740	186,340

1) Previous year values as of 31 March 2017

Information by geographic region

Revenues broken down by customer region, based on customer's headquarters:

€ in thousands	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016
Austria	16,368	14,812
Germany	141,335	125,134
Other European countries	42,450	38,817
China	33,365	39,249
Other Asian countries	46,753	45,289
Americas	485,629	351,762
Revenue	765,900	615,063

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

€ in thousands	31 Dec 2017	31 Mar 2017
Austria	67,169	69,039
China	750,341	822,422
Others	36,808	33,289
Property, plant and equipment and intangible assets	854,318	924,750

Notes to the Interim Financial Report

GENERAL INFORMATION

ACCOUNTING AND MEASUREMENT POLICIES The interim report for the nine months ended 31 December 2017 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 interim consolidated financial statements do not include all the information contained in the annual consolidated financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2017.

The interim consolidated statements ended 31 December 2017 are unaudited and have not been the subject of external audit review.

NOTES TO THE STATEMENT OF PROFIT OR LOSS

REVENUE Group revenue in the first nine month of the current financial year increased by 24.5% from € 615.1 million in the same period last year to € 765.9 million.

GROSS PROFIT The current gross profit of € 139.5 million was 186,6% higher than the € 48.7 million achieved in the same period last year. The main reasons are very high customer demand and a better development of the new technology generation in the core business. Due to the start of production, the costs of plant Chongqing 2 are included in the costs of goods sold. In the previous year, costs of € 6.4 million were presented as start-up costs in other expenses.

OPERATING RESULT On the basis of the increased gross profit the consolidated operating result of AT&S increased to € 88.8 million or 11.6% of revenue. Higher administration and distribution costs, which are mainly due to an adjustment of variable remuneration components to the expected target achievement level, had a negative effect. The increase in the other operating result is caused by the changed presentation of the start-up costs compared with the previous year. The reversal of a provision for unused building space in the previous year had a positive effect in the amount of € 3.3 million.

FINANCE COSTS – NET The finance costs of € 13.8 million were below the prior-year level due to lower foreign exchange losses. Financial income was € 2.5 million and basically resulted from the investment of free cash and foreign exchange gains. As a consequence, net finance costs increased by € 7.3 million in comparison to the same period of the previous year and amounted to € -11.3 million. The net finance costs include € 0.0 million from capitalised interest (previous year: € 2.2 million). Net interest expense on personnel-related liabilities of € 0.5 million is recognised in “finance costs – net” (previous year: € 0.6 million).

INCOME TAXES The effective tax rate was mainly affected by the discontinuation of the reduced tax rate at AT&S (China) Company Limited on 31 December 2016 (efforts to a return to the favoured tax scheme have started).

NOTES TO THE STATEMENT OF COMPREHENSIVE INCOME

CURRENCY TRANSLATION DIFFERENCES The negative deviation in the foreign currency translation reserves in the current financial year by € -57.9 million was the result of the change in the exchange rate of the Chinese yuan renminbi and the US-dollar against the Group's reporting currency, the euro.

	Closing rate			Average rate		
	31 Dec 2017	31 Mar 2017	Change in %	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016	Change in %
Chinese yuan renminbi	7.8327	7.3693	6.3%	7.7269	7.3803	4.7%
Hong Kong dollar	9.3674	8.2997	12.9%	8.9802	8.5832	4.6%
Indian rupee	76.5603	69.3504	10.4%	74.2161	74.2128	0.0%
Japanese yen	134.8800	119.4300	12.9%	128.6750	119.0170	8.1%
South Korean won	1,276.3339	1,195.4117	6.8%	1,285.7868	1,267.7555	1.4%
Taiwan dollar	35.5397	32.4490	9.5%	34.7172	35.4060	(1.9%)
US dollar	1.1988	1.0681	12.2%	1.1510	1.1064	4.0%

NOTES TO THE STATEMENT OF FINANCIAL POSITION

ASSETS AND FINANCES Net debt, at € 217.0 million, decreased significantly versus the € 380.5 million outstanding at 31 March 2017. The decrease was primarily caused by the issue of the hybrid bond. In contrast to this, the net working capital of € 24.4 million as at 31 March 2017 rose to € 73.4 million mainly due to increased receivables and inventories. The net gearing ratio, at 31.0%, was below the 70.5% at 31 March 2017.

VALUATION HIERARCHIES FOR FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Three valuation hierarchies have to be distinguished in the valuation of financial instruments measured at fair value.

- Level 1: fair values are determined on the basis of publicly quoted prices in active markets for identical financial instruments.
- Level 2: if no publicly quoted prices in active markets exist, then fair values are determined on the basis of valuation methods based to the greatest possible extent on market prices.
- Level 3: in this case, the models used to determine fair value are based on inputs not observable in the market.

The financial instruments valued at fair value at the end of the reporting period at the three valuation levels were as follows:

€ in thousands 31 Dec 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss:				
– Bonds	771	–	–	771
– Derivative financial instruments	–	5	–	5
Available-for-sale financial assets	–	193	–	193
Financial liabilities				
Derivative financial instruments	–	3,154	–	3,154

€ in thousands				
31 Mar 2017	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss:				
– Bonds	606	–	–	606
Available-for-sale financial assets	–	173	–	173
Financial liabilities				
Derivative financial instruments	–	2,773	–	2,773

Export loans, government loans and other bank borrowings amounting to € 541.7 million (31 March 2017: € 590.1 million) are measured at amortised cost. The fair value of these liabilities was € 545.2 million (31 March 2017: € 595.3 million).

OTHER FINANCIAL COMMITMENTS At 31 December 2017 the Group had other financial commitments amounting to € 24.1 million in connection with contractually binding investment commitments. This relates to investments in the Shanghai, Chongqing, Nanjangud and Leoben plants. As at 31 March 2017 other financial commitments stood at € 57.9 million.

EQUITY Consolidated equity decreased due to the dividend payment of € -3.9 million, the consolidated profit for the period of € 47.8 million, negative impacts from currency translation differences of € -57.9 million and the issue of a hybrid bond with the amount of € 173.0 million from € 540.1 million at 31 March 2017 to € 699.1 million.

At the 20th Annual General Meeting on 3 July 2014 the Management Board was authorised until 2 July 2019 to increase the share capital of the Company, subject to the approval of the Supervisory Board, by up to € 21,367,500 by way of issuing up to 19,425,000 no-par value bearer shares, for contributions in cash or kind, in one or more tranches, including issue by means of an indirect share offering via banks in accordance with section 153 para 6 Austrian Stock Corporation Act (AktG). The Management Board was authorised, subject to the approval of the Supervisory Board, to determine the detailed terms and conditions of issue (in particular, issue price, nature of contributions in kind, rights related to shares, exclusion of subscription rights, etc.) (authorised capital). The Supervisory Board was authorised to approve changes in the Articles of Association required by the issue of shares out of authorised capital. The Annual General Meeting approved a resolution amending Section 4 (Nominal Capital) of the Articles of Association to reflect this change.

In addition, at the 20th Annual General Meeting of 3 July 2014 the resolution of the Annual General Meeting of 7 July 2010 authorising the issue of convertible bonds was rescinded and at the same time the Management Board was authorised until 2 July 2019, subject to the approval of the Supervisory Board, to issue convertible bearer bonds up to a maximum nominal value of € 150,000,000 in one or more tranches, and to grant the holders of the convertible bond subscription and/or conversion rights for up to 19,425,000 new no-par value bearer shares in the Company in accordance with the terms and conditions of the convertible bond to be determined by the Management Board. For this purpose, in accordance with section 159 para 2 item 1 AktG, the share capital of the Company was also conditionally increased by up to € 21,367,500 in the form of up to 19,425,000 new no-par value bearer shares. This capital increase will only take place to the extent that holders of convertible bonds exercise their conversion or subscription rights in accordance with the resolution of the Annual General Meeting of 3 July 2014. The Management Board was also authorised, subject to the approval of the Supervisory Board, to determine further details of the conditional capital increase (in particular, the amount of the issue and the rights related to shares).

With respect to the authorised share capital increase and/or the conditional capital increase, the following restrictions on the amounts of the increases are to be observed, as required under the resolutions passed at the 20th Annual General Meeting of 3 July 2014: The total of (i) the number of new shares actually issued or potentially issuable out of conditional capital under the terms and conditions of the convertible bonds, and (ii) the number of shares issued out of authorised capital may not exceed 19,425,000 (definition of amount of authorisations).

TREASURY SHARES At the 23rd Annual General Meeting of 6 July 2017 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 at a lowest price that may be no more than 30% lower than the average unweighted closing price of the previous 10 trading days and at a highest price per share of a maximum of up to 30% above the average unweighted closing price of the previous 10 trading days. The Management Board was also authorised to withdraw repurchased treasury shares as well as treasury shares already held by the Company without any further resolution of the Annual General Meeting. The Management Board was also again authorised – for a period of five years (i.e., until 5 July 2022), upon approval of the Supervisory Board – to sell or use the repurchased treasury shares or treasury shares already held by the Company 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, or for any other legally permissible purpose.

On 31 December 2017, the Group held no treasury shares.

HYBRID BOND On 17 November 2017, a hybrid bond was issued at a nominal amount of € 175.0 million and with an annual coupon of 4.75% which was paid out on 24 November 2017. The subordinated bond has a perpetual maturity and can be first called in and redeemed by AT&S Austria Technologie & Systemtechnik Aktiengesellschaft, but not by the creditors, after five years. If the bond is not called in and redeemed after five years, the mark-up increases by 5.0% on the actual coupon.

As the hybrid bond satisfies the IAS 32 criteria for equity, the proceeds from the bond issue are recognised as part of equity. Accordingly, coupon payments are also presented as part of the appropriation of profit. The preliminary issue costs of the hybrid bond amounted to approximately € 2.0 million. Therefore hybrid capital amounts to € 173.0 million. Once the final issue costs are available and under consideration of the tax effect, the value will change.

NOTES TO THE STATEMENT OF CASH FLOWS Cash flow from operating activities amounted to € 121.0 million compared with € 16.8 million in the same period last year. The increase is mainly due to the significantly increased consolidated operating result.

Cash flow from investing activities amounts to € -246.6 million and thus exceeds the level of € -108.6 million reached in the same period last year. Thereof capital expenditure for property, plant and equipment and intangible assets accounts for € 125.2 million. This year's capital expenditures are predominantly in the new plants in Chongqing and technology upgrades in the other plants. Capital expenditure for financial assets amounts to € 124.5 million, and proceeds from the sale of financial assets amount to € 2.5 million for investment and reinvestments of liquid funds. At 31 December 2017, payables for capex amount to € 23.1 million, which will become payable in the coming period.

Cash flow from financing activities amounted to € 135.4 million and is mainly attributable to the issue of a hybrid bond, government grants, the repayment and borrowing of financial liabilities and the dividend payment.

The non-cash expense/income is as follows:

€ in thousands	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016
Release of government grants	(2,192)	(1,141)
Other non-cash expense/(income), net	5,300	(3,006)
Non-cash expense/(income), net	3,108	(4,147)

OTHER INFORMATION

DIVIDENDS The Annual General Meeting of 6 July 2017 resolved on a dividend payment of € 0.10 per share. The dividend distribution of € 3.9 million took place on 27 July 2017.

IMPACT OF NEW IFRS STANDARDS IFRS 9 Financial Instruments results in amendments and revisions in the area of financial instruments and will replace IAS 39. Loan defaults will be recognised earlier in the future under the new impairment model. From today's perspective, the AT&S Group does not expect a material increase regarding the impairment of trade receivables.

IFRS 15 Revenue from Contracts with Customers brings new rules regarding revenue recognition and replaces IAS 18 and IAS 11. Currently an analysis with respect to the future recognition and measurement is taking place. A final evaluation of the impact can only be done when the contract analysis is finished.

RELATED PARTY TRANSACTIONS In connection with various projects, the Group received consulting services from companies where Supervisory Board Chairman Mr. Androsch (AIC Androsch International Management Consulting GmbH) and Supervisory Board Deputy Chairman Mr. Dörflinger (Dörflinger Management & Beteiligungs GmbH) are managing directors with the power of sole representation. The fees charged are as follows:

€ in thousands	01 Apr - 31 Dec 2017	01 Apr - 31 Dec 2016
AIC Androsch International Management Consulting GmbH	286	284
Dörflinger Management & Beteiligungs GmbH	–	4
Total fees	286	288

At the balance sheet date, there are no outstanding balances or obligations to the above mentioned legal and consulting companies.

Leoben-Hinterberg, 30 January 2018

Management Board

Andreas Gerstenmayer m.p.

Monika Stoisser-Göhring m.p.

Heinz Moitzi m.p.

Statement of all Legal Representatives

We confirm to the best of our knowledge that the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group interim management report gives a true and fair view of important events that have occurred during the first nine months of the financial year and their impact on the interim financial statements, of the principal risks and uncertainties for the remaining three months of the financial year and of the major related party transactions to be disclosed.

Leoben-Hinterberg, 30 January 2018

The Management Board

Andreas Gerstenmayer m.p.
Chief Executive Officer

Monika Stoisser-Göhring m.p.
Chief Financial Officer

Heinz Moitzi m.p.
Chief Operations Officer

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DISCLAIMER

This report contains forward-looking statements which were made on the basis of the information available at the time of publication. These can be identified by the use of such expressions as “expects”, “plans”, “anticipates”, “intends”, “could”, “will”, “aim” and “estimation” or other similar words. These statements are based on current expectations and assumptions. Such statements are by their very nature subject to known and unknown risks and uncertainties. As a result, actual developments may vary significantly from the forward-looking statements made in this report. Recipients of this report are expressly cautioned not to place undue reliance on such statements. Neither AT&S nor any other entity accept any responsibility for the correctness and completeness of the forward-looking statements contained in this report. AT&S undertakes no obligation to update or revise any forward-looking statements, whether as a result of changed assumptions or expectations, new information or future events.

Percentages and individual items presented in this report are rounded which may result in rounding differences.

Formulations attributable to people are to be understood as gender-neutral.

This report in no way represents an invitation or recommendation to buy or sell shares in AT&S.

The report is published in German and English. In case of doubt, the German version is binding.

No responsibility accepted for errors or omissions.

