First choice for advanced applications

AT&S

Half-Year Financial Report 2014/15

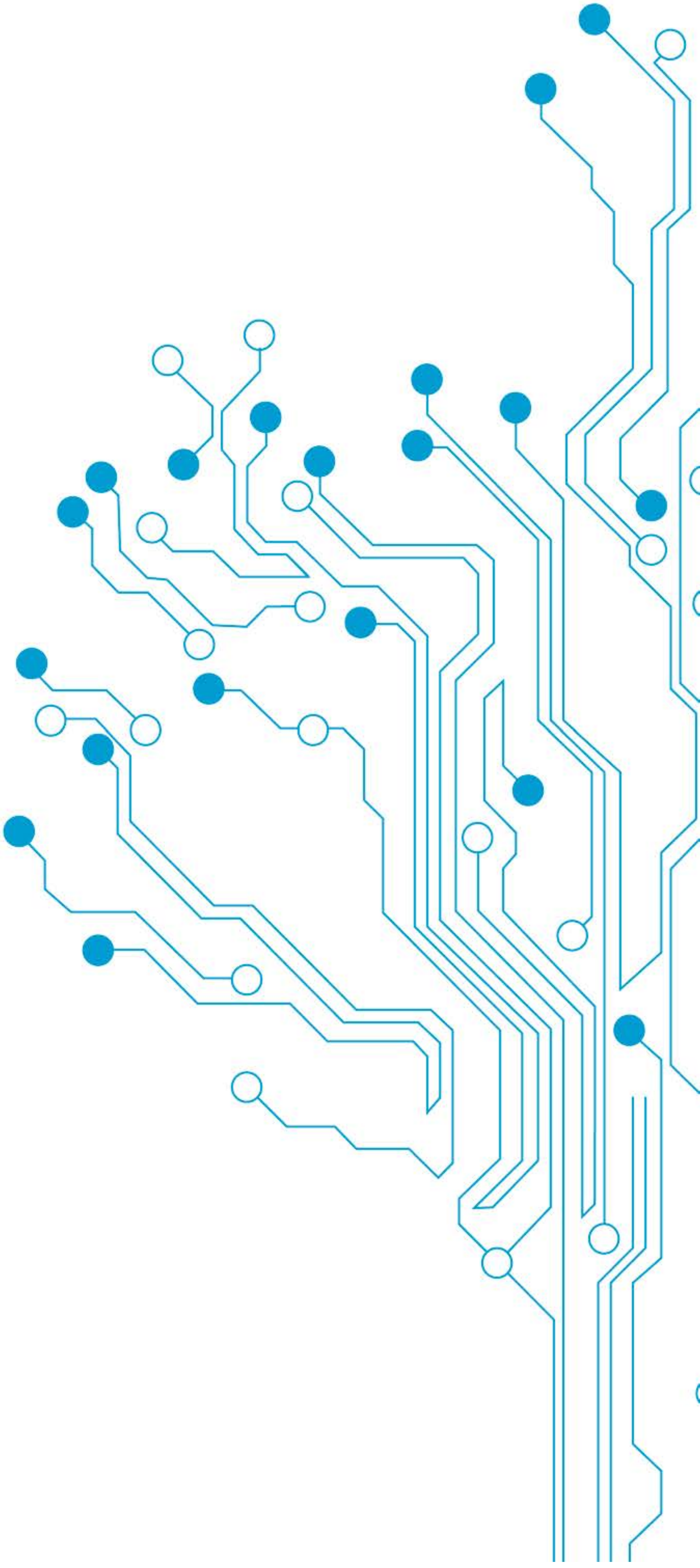
Key figures

CONSOLIDATED STATEMENT OF PROFIT OR LOSS	Unit	H1 2014/15	H1 2013/14
Revenue	€ in thousands	302,077	299,933
thereof produced in Asia	%	76%	75%
thereof produced in Europe	%	24%	25%
EBITDA	€ in thousands	72,297	65,412
EBITDA margin	%	23.9%	21.8%
EBIT	€ in thousands	39,928	30,567
EBIT margin	%	13.2%	10.2%
Profit for the period	€ in thousands	28,445	21,957
attributable to owners of the parent company	€ in thousands	28,416	21,940
Cash earnings	€ in thousands	60,785	56,785
CONSOLIDATED STATEMENT OF FINANCIAL POSITION		30 Sep 2014	31 Mar 2014
Total assets	€ in thousands	1,057,190	916,059
Total equity	€ in thousands	465,141	390,680
Equity attributable to owners of the parent company	€ in thousands	465,101	390,682
Net debt	€ in thousands	179,989	110,874
Net gearing	%	38.7%	28.4%
Net working capital	€ in thousands	126,226	91,722
Net working capital per revenues	%	20.9%	15.6%
Equity ratio	%	44.0%	42.7%
CONSOLIDATED STATEMENT OF CASH FLOWS		H1 2014/15	H1 2013/14
Net cash generated from operating activities (OCF)	€ in thousands	33,650	40,327
CAPEX, net	€ in thousands	88,699	39,992
GENERAL INFORMATION		30 Sep 2014	31 Mar 2014
Employees (incl. leased personnel), end of reporting period	–	7,618	7,129
Employees (incl. leased personnel), average	–	7,385	7,027
KEY STOCK FIGURES		H1 2014/15	H1 2013/14
Shares outstanding, end of reporting period	–	38,850,000	26,690,059
Weighted average number of shares outstanding	–	38,850,000	23,432,997
Earnings per shares outstanding end of reporting period	€	0.73	0.82
Earnings per average number of shares outstanding [1]	€	0.73	0.94
Cash earnings per average number of shares [1]	€	1.56	2.42
Market capitalisation, end of reporting period	€ in thousands	355,478	183,895
Market capitalisation per equity [2]	%	76.4%	58.1%
KEY FINANCIAL FIGURES		H1 2014/15	H1 2013/14
ROE (Return on equity) [3]	%	13.3%	15.1%
ROCE (Return on capital employed) [3]	%	10.7%	11.4%
ROS (Return on sales)	%	9.4%	7.3%

[1] 2014/15: Lower result substantially due to issue of new shares.
[2] Equity attributable to owners of the parent company.
[3] Calculated on the basis of average values.

Highlights

- Growth rates in printed circuit board and IC substrates markets remain attractive at 4-5% CAGR over a five-year cycle
- High capacity utilisation
- Revenue at a stable high level of € 302.1 million
- EBITDA margin of 23.9% among the highest in AT&S's history
- Profit for the period up 29.5% on the first six months of 2013/14
- Investment in tangible fixed assets of € 88.7 million in the first half of 2014/15
- Work at IC substrate plant in Chongqing proceeding according to plan
- Outlook confirmed: stable revenue and EBITDA margin at the top end of the 18-20% target corridor



Statement of the Management Board

Dear shareholders,

Thanks to high demand in both the Mobile Devices & Substrates and the Industrial & Automotive (incl. Medical) Business Units, as well as strong capacity utilisation, we were able to hold revenue at € 302.1 million, which was in line with the high level of € 299.9 million reported in the first half of 2013/14.

Earnings before interest, tax, depreciation and amortisation (EBITDA) increased by 10.5% to € 72.3 million due to no non-recurring items and a one-time profit from a compensation payment, high capacity utilisation, continuous improvements of the product mix and the results from efficiency improvement activities.

The EBITDA margin reached 23.9%, one of the highest levels ever. Profit for the period for the first half of the year was € 28.4 million, up some 29.5% on the same period a year earlier.

Cash flows from operating activities of € 33.6 million were around € 6.7 million lower than in the same period last year, chiefly due to the increase in net working capital. Net cash used in investing activities increased year on year to € -88.7 million in the first half of 2014/15, in line with expectations. Main investments were made in technology upgrades at existing facilities and in the Chongqing plant which is currently under construction.

Consolidated equity amounted to € 465.1 million at the end of September 2014. The € 74.5 million rise in equity compared with 31 March 2014 reflected the improvement in consolidated net profit as well as positive exchange differences of € 55.8 million. The equity ratio was 44.0%.

Net debt at the end of the reporting period was € 180.0 million (31 March 2014: € 110.9 million), corresponding to a gearing ratio of 38.7%.

Key indicators for the first six months of the financial year 2014/15 are as follows:

- Revenue: € 302.1 million
- Gross profit: € 66.2 million
  for a margin of 21.9%
- EBITDA: € 72.3 million
  for a margin of 23.9%
- Operating result: € 39.9 million
  for a margin of 13.2%
- Profit before tax: € 37.6 million
  for a margin of 12.4%
- Profit for the period: € 28.4 million
  for a margin of 9.4%
- Earnings per share: € 0.73
- No. of shares outstanding* (average): 38,850
  * Thousands of shares

FINANCING The maturities of the total financial liabilities of € 402.1 million were as follows:

Less than 1 year:	€ 49.5 million
1–5 years:	€ 302.4 million
More than 5 years:	€ 50.2 million

BUSINESS UNIT MOBILE DEVICES & SUBSTRATES STABLE The Business Unit Mobile Devices & Substrates reached revenue of € 156.7 million, almost in line with last year's number. The change of -4.8% compared to the first half year of 2013/14 is mainly due to increased capacity consumption by high end product mix; production was operating at full capacity. Demand for mobile communications applications was one of the drivers for the continuous success of this Business Unit. With this development AT&S confirms its strong position in the market of high-end mobile devices.

GROWTH IN BUSINESS UNIT INDUSTRIAL & AUTOMOTIVE (INCL. MEDICAL) The consequent and strategic development of the customer and product portfolio for the Business Unit Industrial & Automotive (incl. Medical) resulted to a revenue increase of 8.8% to € 144.3 million in the reporting period. The main reasons behind this are the increased use of innovative electronics in passenger cars (e.g. driver assistance system, safety features and energy efficiency systems), as well as higher demand for industrial applications used in machine-to-machine communication, industrial automation and LED. In medical applications, revenue gains were primarily attributable to increased demand for therapeutic applications.

IC SUBSTRATE PLANT IN CHONGQING The setup of the Chongqing plant with a strategic focus on integrated circuit (IC) substrates business is proceeding according to plan. Installation and internal qualification of the first production line has been completed, equipment characterisation and certification and production of samples has started. Investment in Chongqing, since the start of the project until 30 September 2014, amounted to € 163.1 million. Start of production is scheduled for calendar year 2016. The project is fully financed thanks to positive cash flows and the equity and financing transactions carried out (secondary public offering, corporate bond and bonded loans).

OUTLOOK Based on the strong demand in the second half of the calendar year 2014 – particularly in the mobile devices segment – and the low visibility in respect to the first quarter of the calendar year 2015 we are assuming that, provided the macro-economic environment remains stable and considering todays foreign exchange rates, the business will continue the positive trend. For the full year 2014/15 we expect revenues in line with prior year and an EBITDA margin on the upper level of our target corridor of 18-20%.

We would like to extend our thanks to all of our shareholders and employees for their support over the past six months.

With best regards

Andreas Gerstenmayer Chairman of the Board	Karl Asamer Member of the Board	Heinz Moitzi Member of the Board

Corporate governance information

MANAGEMENT BOARD REMUNERATION After wide-ranging preparations, a long-term incentive (LTI) programme based on stock appreciation rights (SARs) was implemented by resolution of the Supervisory Board on 3 July 2014. This replaced the stock option plan put in place for members of the Management Board and other senior managers, which expired on 1 April when the last allocation was made under the scheme. SARs are based on share price developments over a given period. As with the stock option scheme, beneficiaries only receive financial remuneration under the plan if the share price goes up, without having shares transferred to them or options for such a transfer being granted. Requirements include long-term, multi-year performance criteria, a minimum holding period of three years (followed by an exercise period of up to two years), a minimum personal investment and an upper limit on the maximum potential financial gain:

The earnings per share (EPS) indicator determines how many of the SARs allocated to an individual may be exercised upon expiry of the holding period. The target value is the EPS specified in the mid-term plan for the end of the reporting period of the third year after allocation. If the actual value is less than 50% of the target EPS, then the allocated SARs expire without compensation. If the actual value amounts to 100% of the EPS value or exceeds it, the allocated SARs are exercised in full. The SARs may be exercised on a pro rata (straight-line) basis in the case of target achievement of between 50% and 100%.

Personal investment is a mandatory requirement for the exercise of SARs. This is a one-off equity investment equivalent to 20% of the SARs allocated for the year, acquired in shares (e.g. in the case of 5,000 SARs the personal investment amounts to 1,000 shares). If the personal investment has not been made in full by the end of the holding period (i.e. after the end of three years), all of the SARs relating to the allocation expire. The personal investment must be held for the full duration of the participation in the LTI programme.

The exercise price is determined on the allocation date and corresponds to the average closing price of AT&S stock on the Vienna Stock Exchange during the six calendar months preceding the allocation date.

The share price performance determines the amount paid to participants in the LTI programme: the difference between the exercise price of a particular virtual allocation and the closing price of AT&S stock on the Vienna Stock Exchange on the exercise date is multiplied by the number of SARs. The exercise price is not subject to any premium. Any payout is made in cash. If the share performs exceptionally well, the payout per SAR is restricted to 200% of the respective exercise price (e.g. if the exercise price is € 8, the maximum payout per SAR is restricted to € 16; a closing price of more than € 24 does not result in a higher value per SAR).

A total of three allocation tranches have been set for the 2014-2016 LTI programme spread across the three financial years (2014/15, 2015/16 und 2016/17). The following numbers of SARs have been allocated to the members of the Management Board per financial year.

- Andreas Gerstenmayer 40,000
- Karl Asamer 30,000
- Heinz Moitzi 30,000

DIRECTORS' DEALINGS On 30 September 2014 the Androsch Private Foundation acquired 110,742 shares in AT & S Austria Technologie & Systemtechnik Aktiengesellschaft from AIC Androsch International Management Consulting GmbH at a price of EUR 9.03 per share. It was noted that the acquisition of the shares by the Androsch Private Foundation merely represented a transfer in ownership from its wholly owned subsidiary AIC Androsch International Management Consulting GmbH to the Androsch Private Foundation; the total equity holding of the Androsch Private Foundation remains unchanged at about 16.32%.

Karl Asamer, Chief Financial Officer (CFO) of AT & S Austria Technologie & Systemtechnik Aktiengesellschaft, acquired 4,000 shares at a price of EUR 9.01 per share on 1 October 2014, after the end of the reporting period. As a result, Karl Asamer holds a total of 4,000 shares in the Company, which represents roughly 0.01% of the 38,850,000 shares in issue.

The relevant reports on directors' dealings and other details can be viewed and downloaded in the FMA Directors' Dealings Database, at http://www.fma.gv.at/en/companies/issuers/directors-dealings/directorsdealings-database.html.

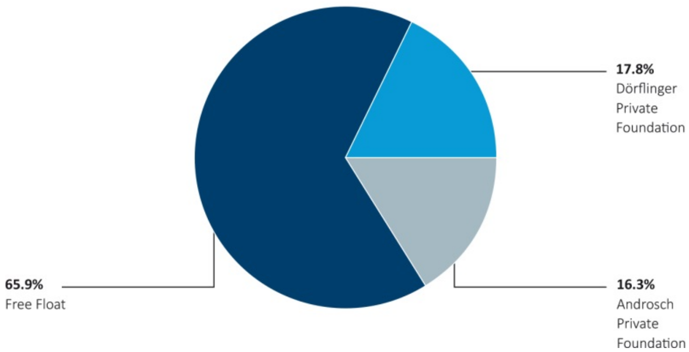
NEW INVESTOR RELATIONS CONTACT Elke Koch was appointed Director IR & PR on 15 September 2014, making her the new investor relations contact for AT & S Austria Technologie & Systemtechnik Aktiengesellschaft. She can be reached by:

- post: Fabriksgasse 13, 8700 Leoben, Austria,
- phone: +43 (0) 3842 200-5925,
- fax: +43 (0) 3842 200-15925 and
- e-mail: e.koch@ats.net

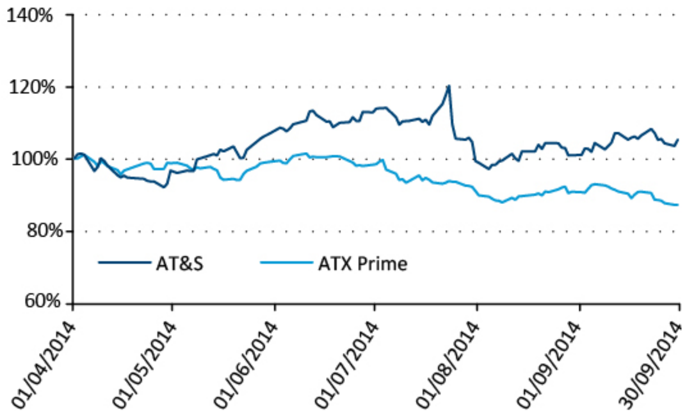
Her contact details are available on our website at: http://www.ats.net/investors/contact/

AT&S stock

SHAREHOLDINGS



AT&S AGAINST THE ATX-PRIME



SHARE PRICE IN THE FIRST SIX MONTHS OF 2014/15

International financial markets continued to be shaped by the uncertain wider economic environment and were highly volatile as a result. Events were influenced by the weak growth outlook for the Eurozone, the escalation of the political situation in Ukraine, the resulting fall in the value of the euro against the majority of world currencies, interest rate adjustments, and the announcement by European Central Bank that it was stepping up its purchases of distressed government bonds. The situation on European stock markets began to deteriorate after the summer, with Vienna's lead index, the ATX, reaching a high of 2,285 points in June 2014 only to fall to 2,202 points by 30 September.

AT&S stock was also affected by the volatility on the exchange. The share price rose steadily up until mid-July, peaking at 10.44 € on 23 July. The stock closed at 9.15 € on 30 September. The average daily trading volume on the Vienna Stock Exchange amounted to 58,600 shares (single count).

Against this backdrop, AT&S management intensified its communications activities, with countless roadshows and face-to-face meetings with investors and analysts in a bid to generate the kind of upbeat sentiment that better reflected the company's operational performance. In the first six months of the financial year 2014/15 AT&S held meetings with institutional investors and financial analysts in Munich, Düsseldorf, Zürs, Warsaw, Shanghai and New York. The company also met with various private investors at its Leoben Hinterberg facility as part of the Vienna Stock Exchange's Private Investor Day in May.

AT&S stock is currently being covered by eight analysts, seven of whom rate it "buy" and the other "hold".

KEY STOCK FIGURES FOR THE FIRST SIX MONTHS (€)

	30 September 2014	30 September 2013
Earnings per share	0.73	0.94
High	10.44	8.40
Low	8.01	6.21
Close	9.15	6.89

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

27 January 2015	Publication of results for third quarter 2014/15
07 May 2015	Publication of annual results 2014/15
02 July 2015	21st Annual General Meeting

CONTACT INVESTOR RELATIONS

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Interim Financial Report (IFRS)

Consolidated Statement of Profit or Loss

€ in thousands	01 July - 30 September 2014	01 July - 30 September 2013	01 April - 30 September 2014	01 April - 30 September 2013
Revenue	160,767	157,392	302,077	299,933
Cost of sales	(123,090)	(123,693)	(235,856)	(239,474)
Gross profit	**37,677**	**33,699**	**66,221**	**60,459**
Distribution costs	(7,631)	(7,647)	(14,768)	(15,037)
General and administrative costs	(6,633)	(5,964)	(13,495)	(11,119)
Other operating result	3,192	39	1,970	(732)
Non-recurring items	–	–	–	(3,004)
Operating result	**26,605**	**20,127**	**39,928**	**30,567**
Finance income	3,476	96	3,810	114
Finance costs	(3,174)	(3,002)	(6,173)	(6,361)
Finance income/(costs) - net	302	(2,906)	(2,363)	(6,247)
Profit before tax	26,907	17,221	37,565	24,320
Income taxes	(6,041)	(1,876)	(9,120)	(2,363)
Profit for the period	**20,866**	**15,345**	**28,445**	**21,957**
Attributable to owners of the parent company	20,847	15,334	28,416	21,940
Attributable to non-controlling interests	19	11	29	17
Earnings per share attributable to equity holders of the parent company (in € per share):				
- basic	0.54	0.65	0.73	0.94
- diluted	0.54	0.60	0.73	0.90
Weighted average number of shares outstanding - basic (in thousands)	38,850	23,542	38,850	23,433
Weighted average number of shares outstanding - diluted (in thousands)	38,850	25,517	38,850	24,426

Consolidated Statement of Comprehensive Income

€ in thousands	01 July - 30 September 2014	01 July - 30 September 2013	01 April - 30 September 2014	01 April - 30 September 2013
Profit for the period	**20,866**	**15,345**	**28,445**	**21,957**
Items to be reclassified:				
Currency translation differences	50,103	(21,834)	55,753	(26,596)
Gains/(losses) from the fair value measurement of hedging instruments for cash flow hedges, net of tax	(667)	23	(1,967)	56
Other comprehensive income for the period	**49,436**	**(21,811)**	**53,786**	**(26,540)**
Total comprehensive income for the period	**70,302**	**(6,466)**	**82,231**	**(4,583)**
Attributable to owners of the parent company	70,277	(6,478)	82,189	(4,599)
Attributable to non-controlling interests	25	12	42	16

Consolidated Statement of Financial Position

€ in thousands	30 September 2014	31 March 2014
ASSETS		
Non-current assets		
Property, plant and equipment	532,100	435,103
Intangible assets	19,723	9,145
Financial assets	96	96
Deferred tax assets	28,873	25,538
Other non-current assets	22,757	13,976
	603,549	483,858
Current assets		
Inventories	78,970	59,434
Trade and other receivables	151,807	110,999
Financial assets	822	836
Current income tax receivables	854	799
Cash and cash equivalents	221,188	260,133
	453,641	432,201
Total assets	**1,057,190**	**916,059**
EQUITY		
Share capital	141,846	141,846
Other reserves	52,476	(1,297)
Retained earnings	270,779	250,133
Equity attributable to owners of the parent company	465,101	390,682
Non-controlling interests	40	(2)
Total equity	**465,141**	**390,680**
LIABILITIES		
Non-current liabilities		
Financial liabilities	352,555	325,863
Provisions for employee benefits	25,958	24,755
Other provisions	9,371	9,736
Deferred tax liabilities	7,439	6,738
Other liabilities	3,378	3,244
	398,701	370,336
Current liabilities		
Trade and other payables	133,767	101,908
Financial liabilities	49,540	46,076
Current income tax payables	6,145	3,986
Other provisions	3,896	3,073
	193,348	155,043
Total liabilities	**592,049**	**525,379**
Total equity and liabilities	**1,057,190**	**916,059**

Consolidated Statement of Cash Flows

€ in thousands	01 April - 30 September 2014	2013
Cash flows from operating activities		
Profit for the period	28,445	21,957
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	32,369	34,844
Changes in non-current provisions	567	571
Income taxes	9,120	2,363
Finance costs/income	2,363	6,247
Gains/losses from the sale of fixed assets	67	18
Release from government grants	(610)	(756)
Other non-cash expense/(income), net	4,573	425
Changes in working capital:		
- Inventories	(14,776)	(8,565)
- Trade and other receivables	(39,786)	(23,730)
- Trade and other payables	18,770	12,400
- Other provisions	685	3,928
Cash generated from operating activities	41,787	49,702
Interest paid	(2,941)	(6,500)
Interest and dividends received	1,396	107
Income taxes paid	(6,592)	(2,982)
Net cash generated from operating activities	**33,650**	**40,327**
Cash flows from investing activities		
Capital expenditure for property, plant and equipment and intangible assets	(88,859)	(40,143)
Proceeds from the sale of property, plant and equipment and intangible assets	160	151
Capital expenditure for financial assets	–	(114)
Proceeds from the sale of financial assets	–	27
Net cash used in investing activities	**(88,699)**	**(40,079)**
Cash flows from financing activities		
Changes in other financial liabilities	20,061	7,341
Proceeds from government grants	327	737
Dividends paid	(7,770)	(4,665)
Proceeds from capital increase	–	20,833
Net cash generated from financing activities	**12,618**	**24,246**
Net increase/(decrease) in cash and cash equivalents	**(42,431)**	**24,494**
Cash and cash equivalents at beginning of the year	260,133	80,226
Exchange gains/(losses) on cash and cash equivalents	3,486	(2,789)
Cash and cash equivalents at end of the period	**221,188**	**101,931**

Consolidated Statement of Changes in Equity

€ in thousands	Share capital	Other reserves	Retained earnings	Equity attributable to owners of the parent company	Non-controlling interests	Total equity
31 March 2013 [1)]	**45,914**	**42,351**	**216,630**	**304,895**	**(51)**	**304,844**
Profit for the period	–	–	21,940	21,940	17	21,957
Other comprehensive income for the period	–	(26,539)	–	(26,539)	(1)	(26,540)
thereof currency translation differences	–	*(26,595)*	–	*(26,595)*	*(1)*	*(26,596)*
thereof change in hedging instruments for cash flow hedges, net of tax	–	*56*	–	*56*	–	*56*
Total comprehensive income for the period	–	(26,539)	21,940	(4,599)	16	(4,583)
Dividend relating to 2012/13	–	–	(4,665)	(4,665)	–	(4,665)
Capital increase	20,833	–	–	20,833	–	20,833
30 September 2013	**66,747**	**15,812**	**233,905**	**316,464**	**(35)**	**316,429**
31 March 2014	**141,846**	**(1,297)**	**250,133**	**390,682**	**(2)**	**390,680**
Profit for the period	–	–	28,416	28,416	29	28,445
Other comprehensive income for the period	–	53,773	–	53,773	13	53,786
thereof currency translation differences	–	55,740	–	55,740	13	55,753
thereof change in hedging instruments for cash flow hedges, net of tax	–	(1,967)	–	(1,967)	–	(1,967)
Total comprehensive income for the period	–	53,773	28,416	82,189	42	82,231
Dividend relating to 2013/14	–	–	(7,770)	(7,770)	–	(7,770)
30 September 2014	**141,846**	**52,476**	**270,779**	**465,101**	**40**	**465,141**

[1)] Adjusted taking into account IAS 19 revised

Segment Reporting

01 April - 30 September 2014

€ in thousands	Mobile Devices & Substrates	Industrial & Automotive	Others	Elimination/ Consolidation	Group
Segment revenue	194,836	151,902	3,885	(48,546)	302,077
Intersegment revenue	(38,134)	(7,601)	(2,811)	48,546	–
Revenue from external customers	156,702	144,301	1,074	–	302,077
Operating result	**24,316**	**13,685**	**1,883**	**44**	**39,928**
Finance costs - net					(2,363)
Profit before tax					37,565
Income taxes					(9,120)
Profit for the period					**28,445**
Property, plant and equipment and intangible assets	480,416	60,447	10,960	–	551,823
Investments	77,384	15,004	1,562	–	93,950
Depreciation/amortisation	27,648	4,078	643	–	32,369
Non-recurring items	–	–	–	–	–

01 April - 30 September 2013

€ in thousands	Mobile Devices & Substrates	Industrial & Automotive	Others	Elimination/ Consolidation	Group
Segment revenue	190,689	135,493	3,396	(29,645)	299,933
Intersegment revenue	(26,122)	(2,870)	(653)	29,645	–
Revenue from external customers	164,567	132,623	2,743	–	299,933
Operating result	**27,309**	**4,204**	**(965)**	**19**	**30,567**
Finance costs - net					(6,247)
Profit before tax					24,320
Income taxes					(2,363)
Profit for the period					**21,957**
Property, plant and equipment and intangible assets *)	386,319	47,888	10,041	–	444,248
Investments	41,934	2,696	8,062	–	52,692
Depreciation/amortisation	30,036	4,155	653	–	34,844
Non-recurring items	–	3,004	–	–	3,004

*) Value as of 31 March 2014

Information by geographic region

Revenues broken down by customer region, based on ship-to-region:

€ in thousands	01 April - 30 September 2014	2013
Austria	11,859	10,049
Germany	68,628	64,630
Other European countries	41,672	36,106
Asia	166,690	143,528
Americas	13,228	45,620
	302,077	**299,933**

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

€ in thousands	30 Sep 2014	31 Mar 2014
Austria	45,495	33,473
China	480,377	386,279
Others	25,951	24,496
	551,823	**444,248**

Notes to the Interim Financial Report

GENERAL

ACCOUNTING AND MEASUREMENT POLICIES The interim report for the six months ended 30 September 2014 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 2014.

Following AT&S's entry into IC substrate manufacturing and allocation of the new business to the Mobile Devices Business Unit, that unit has been renamed as the Mobile Devices & Substrates Business Unit. Both mobile applications and substrates have an appropriate organisational structure, but the management reporting continues to be for the Mobile Devices & Substrates segment as a whole.

The interim consolidated statements for the six months ended 30 September 2014 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 half of the current financial year of € 302.1 million is above the € 299.9 million achieved in the same period last year.

The Business Unit Mobile Devices & Substrates reached revenue of € 156.7 million, almost in line with last years number. The change of -4.8% compared to the first half year of 2013/14 is mainly due to increased capacity consumption by high end product mix; production was operating at full capacity. Demand for mobile communications applications was one of the drivers for the continuous success of this Business Unit. With this development AT&S confirms its strong position in the market of high-end mobile devices. The consequent and strategic development of the customer and product portfolio for the Business Unit Industrial & Automotive (incl. Medical) resulted to a revenue increase of 8.8% to € 144.3 million in the reporting period. The main reasons behind this are the increased use of innovative electronics in passenger cars (e.g. driver assistance system, safety features and energy efficiency systems), as well as higher demand for industrial applications used in machine-to-machine communication, industrial automation and LED. In medical applications, revenue gains were primarily attributable to increased demand for therapeutic applications.

The break down by customer regions shows continuously increasing sales in our Asian markets as well as in European markets. Only deliveries in America were lower.

The geographic distribution of production volumes – 76% in Asia and 24% in Europe – showed a further shift towards Asia in comparison with the same period last year, when the split was 75% to 25%.

GROSS PROFIT The gross profit for the first six months of the current financial year of € 66.2 million was considerably higher than the € 60.5 million achieved in the same period last year. This highly satisfactory outcome results from good capacity utilisation and continuous efficency improvement programs.

While the Business Unit Industrial & Automotive increased its gross profit margin from last year's 16% to 18%, Mobile Devices & Substrates maintained its gross profit margin at last year's level of 20%.

OPERATING RESULT On the basis of the improved gross profit, no non-recurring items and a one-time profit from a compensation payment, AT&S was able to improve its consolidated operating result to € 39.9 million or 13.2% of revenue.

FINANCE COSTS - NET Financial expenses of € 6.2 million were on last year level. The financial income from investment of free cash and gains from foreign exchange were € 3.8 million.The net finance costs of € 2.4 million were € 3.8 million lower than in the same period last year.

INCOME TAXES The change of the effective tax rate on consolidated level compared with the same period last year is resulting from the expected ending of a tax relief of AT&S (China) Company Limited (we continue to work on a return to last years tax regime) as well as the variation of proportions of Group earnings contributed by individual companies with different tax rates.

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 increase in the foreign currency translation reserve in the first half of the current financial year (€ 55.8 million) 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, the Indian rupee and the South Korean won against the Group reporting currency, the euro.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

ASSETS AND FINANCES Net debt of € 180.0 million increased versus the € 110.9 million outstanding at 31 March 2014. Main reasons are investments in the new facility in Chongqing and the increase in net working capital. Net working capital of € 91.7 million as at 31 March 2014 increased to € 126.2 million mainly due to increased business acitivities. The net gearing ratio was 38.7% compared to the 28.4% at 31 March 2014.

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 30 September 2014	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss:				
- Bonds	822	–	–	822
Available-for-sale financial assets	–	96	–	96
Financial liabilities				
Derivative financial instruments	–	3,043	–	3,043

€ in thousands 31 March 2014	Level 1	Level 2	Level 3	Total
Financial assets				
Financial assets at fair value through profit or loss:				
- Bonds	836	–	–	836
Available-for-sale financial assets	–	96	–	96
Financial liabilities				
Derivative financial instruments	–	420	–	420

Bonds, export loans, government loans and other bank borrowings amounting to € 399.1 million (31 March 2014: € 371.5 million) are measured at amortised cost. The fair value of these liabilities was € 400.3 million (31 March 2014: € 377.6 million).

OTHER FINANCIAL COMMITMENTS

At 30 September 2014 the Group had other financial commitments amounting to € 40.7 million, in connection with contractually binding investment commitments, the greater part of which related to the continuing construction of the new factory in Chongqing and investments in the Shanghai and Leoben plants. As at 31 March 2014 other financial commitments stood at € 59.5 million.

EQUITY

Consolidated equity increased from € 390.7 million at 31 March 2014 to € 465.1 million. The good consolidated profit for the period of € 28.4 million as well as positive impacts from currency translation differences contributed mainly to the consolidated total comprehensive income of € 82.2 million.

In the 20th Annual General Meeting on 3 July 2014 the Management Board was authorised until 2 July 2019, and subject to the approval of the Supervisory Board, to increase the share capital of the Company by up to € 21,367,500 by the issue of 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 Companies 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 attaching to shares, exclusion of subscription rights, etc.). 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, in 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 loan stock was rescinded and at the same time the Management Board was authorised until 2 July 2019, and with the approval of the Supervisory Board, to issue up to a maximum nominal value of € 150,000,000 of bearer convertible loan stock in one or more tranches, and to grant the holders of the loan stock 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 loan stock 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 loan stock 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 attaching 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 of the 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.

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, or for any other legally permissible purpose.

On 30 September 2014, the Group held no treasury shares.

NOTES TO THE STATEMENT OF CASH FLOWS Net cash inflows generated by operating activities amounted to € 33.6 million compared with € 40.3 million in the same period last year. The reduction is mainly due to the increase in net working capital.

The net cash used for capital expenditure was € 88.7 million, which is significantly higher than the € 40.1 million in the same period last year. This year's capital expenditures are predominantly in the new factory in Chongqing as well as technology upgrades in the other plants.

Cash inflows from financing activities amounted to € 12.6 million.

OTHER INFORMATION

DIVIDENDS The Annual General Meeting of 3 July 2014 in the first half of the current financial year resolved on the payment of a dividend of € 0.20 per share out of retained earnings as at 31 March 2014. The dividend distribution of € 7.8 million took place on 24 July 2014.

RELATED PARTY TRANSACTIONS In connection with various projects, in the first quarter of the current financial year consultancy fees were payable as follows: € 189,000 to AIC Androsch International Management Consulting GmbH, € 5,000 to Dörflinger Management & Beteiligungs GmbH, and € 3,000 to Frotz Riedl Rechtsanwälte.

Leoben-Hinterberg, 27 October 2014

Management Board

Andreas Gerstenmayer m.p.
Karl Asamer m.p.
Heinz Moitzi m.p.

Group Interim Management Report

BUSINESS DEVELOPMENTS AND PERFORMANCE As with the last financial year, we were also able to close the first half of 2014/15 very successfully. Automotive, Industrial and Medical Technology reported higher sales, and Mobile Devices was largely able to make up for a sharp drop in demand from one particular customer.

All AT&S plants reported good capacity utilisation in the first half of the current financial year.

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

SIGNIFICANT RISKS, UNCERTAINTIES AND OPPORTUNITIES There were no material differences in the categories of risk exposure in the course of the first half of the financial year 2014/15 compared with those described in detail in section 5, "Risk and opportunities management", of the Group Management Report of the 2013/14 consolidated financial statements.

AT&S's liquidity is excellent. The issue of a five-year € 100 million bond in November 2011, the provision of a long-term loan by Oesterreichische Kontrollbank in April 2012, and the issue of a € 158 million promissory loan note in January 2014 mean that ample long-term funds are available. 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 3 July 2014, the Management Board, with the agreement of the Supervisory Board, also has the option of issuing up to 19,425,000 new shares out of authorised capital and issuing convertible bonds up to a nominal value of € 150 million. All opportunities to optimise the financing of the investment in Chongqing are under constant review.

In the first half 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 investments.

For more information on the use of financial instruments, please refer to note 20 in the notes to the consolidated annual financial statements for the financial year 2013/14. Changes in the exchange rates of functional currencies against the reporting currency, the euro, are mainly recognised directly in equity without affecting profit or loss.

Net gearing of 38.7% at 30 September 2014 was at a higher level than at the end of the financial year 2013/14. Favourable exchange translation differences caused by the weakness of the euro against the Chinese renminbi, the Hong Kong dollar, the US dollar, the Indian rupee and the South Korean won led to an increase in equity.

With respect to the opportunities and risks related to developments in the external environment for the financial year 2014/15 as a whole, the assumption is still that total sales of the printed circuit board industry worldwide will increase.

OUTLOOK Based on the strong demand in the second half of the calendar year 2014 – particularly in the mobile devices segment – and the low visibility in respect to the first quarter of the calendar year 2015 we are assuming that, provided the macro-economic environment remains stable and considering todays foreign exchange rates, the business will continue the positive trend. For the full year 2014/15 we expect revenues in line with prior year and an EBITDA margin on the upper level of our target corridor of 18-20%.

Leoben-Hinterberg, 27 October 2014

Management Board

Andreas Gerstenmayer m.p.
Karl Asamer 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 six months of the financial year and their impact on the interim financial statements, of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

Leoben-Hinterberg, 27 October 2014

The Management Board

Andreas Gerstenmayer Chairman of the Board	Karl Asamer Member of the Board	Heinz Moitzi Member of the Board

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