AT&S - part of your daily life

Quarterly Financial Report 03
2012/2013

Key figures

(If not otherwise stated, all figures in EUR 1,000)	IFRS Q1-3 2012/13	IFRS Q1-3 2011/12
CONSOLIDATED INCOME STATEMENT		
Revenues	405,121	371,754
thereof produced in Asia	75 %	72 %
thereof produced in Europe	25 %	28 %
EBITDA	74,426	75,913
EBITDA margin	18.4 %	20.4 %
EBIT	20,981	31,644
EBIT margin	5.2 %	8.5 %
Net income	5,439	21,864
Net income of owners of the parent company	5,439	21,891
Cash earnings	58,883	66,159
CONSOLIDATED BALANCE SHEET		
Total assets	709,546	722,209
Total equity	289,225	289,293
Total equity of owners of the parent company	289,276	289,338
Net debt	252,143	255,727
Net gearing	87.2 %	88.4 %
Net working capital	120,774	108,184
Net working capital per revenues	22.4 %	21.8 %
Equity ratio	40.8 %	40.1 %
CONSOLIDATED CASH FLOW STATEMENT		
Net cash generated from operating activities (OCF)	28,260	50,433
CAPEX, net	32,844	91,592
GENERAL INFORMATION		
Payroll (incl. leased personnel), ultimo	7,226	7,322
Payroll (incl. leased personnel), average	7,450	7,461
KEY STOCK FIGURES		
Earnings per share (EUR)	0.23	0.94
Cash earnings pers share (EUR)	2.52	2.84
Market capitalisation, ultimo	187,980	196,143
Market capitalisation per equity	65.0 %	67.8 %
Weighted average number of shares outstanding	23,322,588	23,322,588
KEY FINANCIAL FIGURES		
ROE [1]	2.5 %	11.2 %
ROCE [1]	4.6 %	7.6 %
ROS	1.3 %	5.9 %

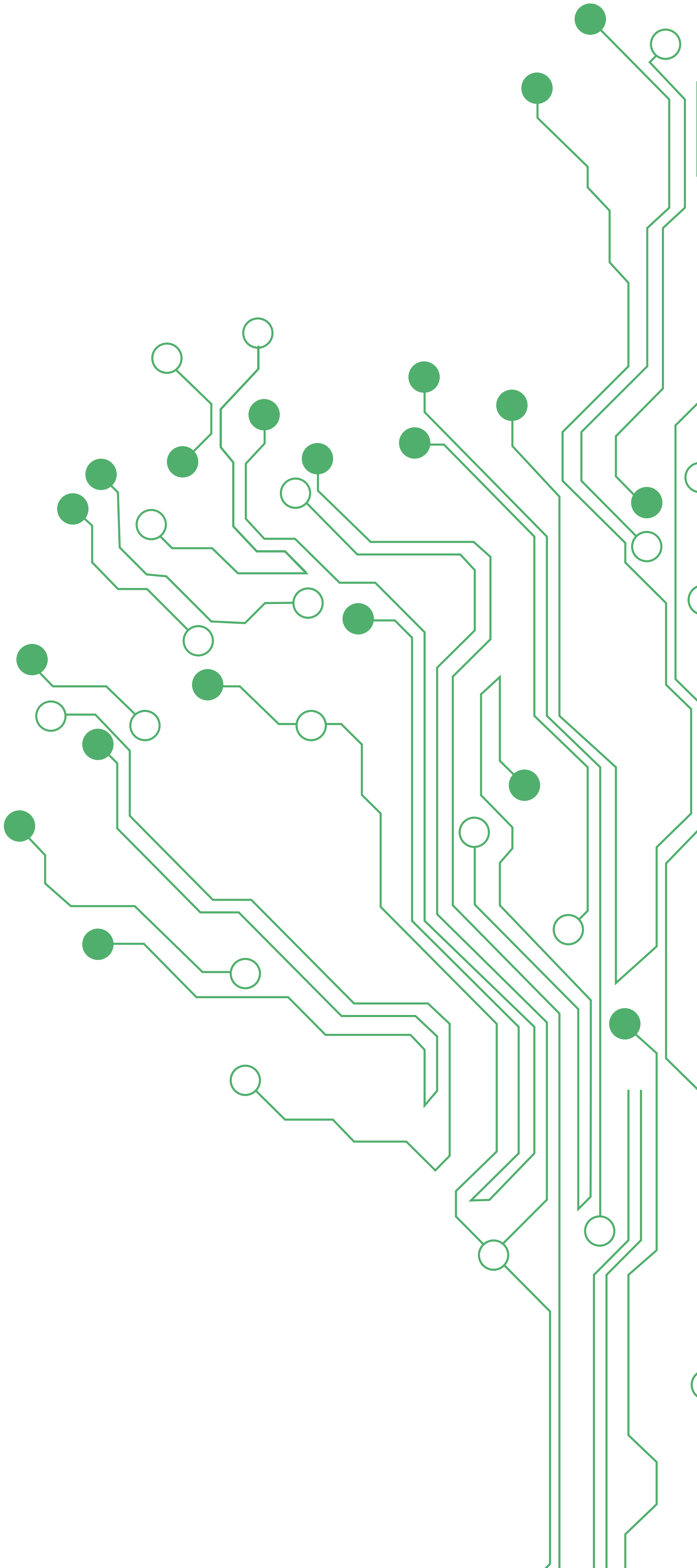
[1] Calculated on the basis of average values

Highlights

- Record revenues and improved operating results

- Positive developments include:
  - stronger demand for high-end printed circuit boards in the premium class automotive segment
  - the launch of new models by leading smartphone manufacturers

- Expansion of product portfolio to include IC substrates



Statement of the Management Board

Dear shareholders,

the launch of new models by leading smartphone manufacturers, and stronger demand for high-end printed circuit boards in the premium class automotive segment resulted in an improvement in operating results compared with the first half of the financial year 2012/13. In addition, sales reached new record highs for both segments.

This rise in revenues is predominantly attributable to improved capacity utilisation at the Group's HDI plant in Shanghai. Although utilisation was below expectations in the first six months of this year, order intake picked up sharply in the third quarter following the successful launch of several new products in the Mobile Devices market. HDI printed circuit boards are also increasingly being used for high-end, premium class automotive applications. Demand for high-quality printed circuit boards from European industrial customers dropped, in line with the overall economic situation. We could not fully make up for our slow start to the year, but strong sales performance in the Mobile Devices segment in the run-up to Christmas and the continuing steady demand for high-value interconnection solutions in the Automotive segment contributed to an improvement in operating income and record revenues in the third quarter. The Group's strategy of increasing its presence in the medical sector is now bearing fruit, and revenues from this segment are up by 50% in the financial year to date.

In the third quarter AT&S Group achieved record revenues of EUR 150 million (m) and earnings before interest, tax, depreciation and amortisation (EBITDA) of around EUR 30.5m. As a result, revenues for the first nine months of the financial year 2012/13 increased to about EUR 405m, while earnings per share rose to EUR 0.23.

Key indicators for the first nine months of the current financial year are as follows:

- Sales revenues: EUR 405.12m
- Gross profit: EUR 57.16m
  for a gross margin of 14.11%
- EBITDA: EUR 74.43m
  for an EBIDTA margin of 18.37%

- Operating profit: EUR 20.98m
  for an EBIT margin of 5.18%
- Profit before tax: EUR 8.06m
  for a margin of 1.99%
- Consolidated net profit: EUR 5.44m
  for a margin of 1.34%
- Earnings per share: EUR 0.23
- No. of shares outstanding (average)*: 23,323
  * Thousands of shares

FINANCING The maturities of the total financial liabilities of EUR 296.8m were as follows:

Less than 1 year:	EUR 124.9m
1–5 years:	EUR 143.1m
More than 5 years:	EUR 28.8m

NEW BUSINESS SEGMENT AT&S Group has decided to expand its product portfolio to include the manufacture of integrated circuit (IC) substrates. The decision to move into a further high-tech line of business is the logical next step in the Group's development as a technology leader. IC substrates are used to connect semiconductors and printed circuit boards. Conductor widths of as little as 50 micrometres are common in the printed circuit board industry. The conductive structures on semiconductors are measured in nanometres and must be rerouted via the substrate to the printed circuit board structures, which are only a few micrometres across. In other words, substrates connect the nanoworld and the microworld.

This strategic extension of the Group's business activities reflects the trend that is increasingly bringing requirements for semiconductors and printed circuit boards closer together and making production technologies converge. It also high-lights the growing importance of substrates. According to Prismark, the global market for IC substrates is worth around USD 8.6 billion (bn), and this is forecast to reach some USD 11.8bn by 2016. Growth is significantly stronger than in the printed circuit board market, and profitability in the high-end IC substrate segment outweighs that of the HDI business. AT&S expects the new business segment to start generating revenues in 2016.

IC substrates will be produced in China. AT&S will work in close partnership with a leading semiconductor manufacturer to build up the required expertise before entering the market together. The plant currently under construction in Chongqing, China, will be geared towards these new operations and will be the first high-end substrate production facility in the country. As its competitors' manufacturing plants are located in Japan, Korea and Taiwan, AT&S has clear cost-based competitive advantage. At present we expect total investment (excluding ramp-up costs) of about EUR 350m.

Entering the substrate business is vital to the Group's sustained growth and represents a step-up to the highest level of technological development. This move also consolidates the company's position as one of the leading providers of high-tech interconnection solutions in the electronics industry.

With best regards

Andreas Gerstenmayer	Thomas Obendrauf	Heinz Moitzi
Chairman	Chief Financial Officer	Chief Technical Officer

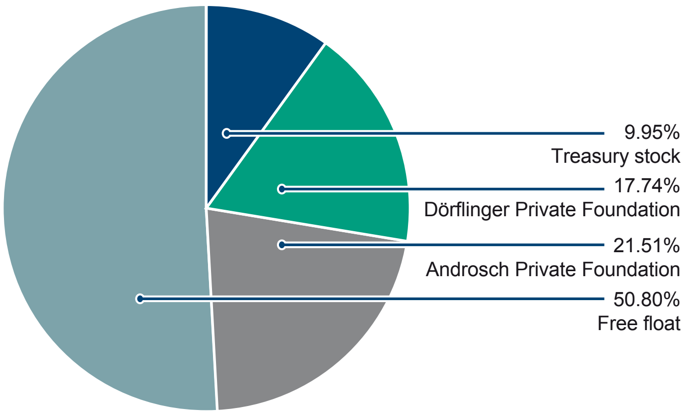
AT&S stock options

In the third quarter of the financial year 2012/13 there were no changes in the shareholdings of senior managers for the purposes of section 48 Austrian Stock Exchange Act (BörseG). Stock options held by members of the Management Board were as follows (Supervisory Board members do not receive stock options):

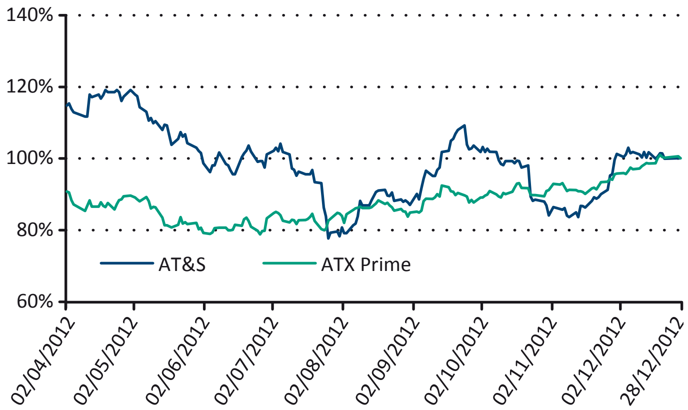
	Stock options allocated as of 31 December 2012	Allocation of 1 April 2012	Allocation of 1 April 2011	Allocation of 1 April 2010	Allocation of 1 April 2009	Allocation of 1 April 2008
Andreas Gerstenmayer	**120,000**	40,000	40,000	40,000	0	0
Heinz Moitzi	**144,000**	30,000	30,000	30,000	24,000	30,000
Thomas Obendrauf	**64,500**	30,000	30,000	1,500	1,500	1,500
Exercise price (EUR)		9.86	16.60	7.45	3.86	15.67

AT&S stock

SHAREHOLDINGS



AT&S AGAINST THE ATX-PRIME



SHARE PRICE IN THE FIRST NINE MONTHS OF 2012/13 In November AT&S staged an Austrian Capital Market Day – the first of its kind – in Hong Kong, in collaboration with Wiener Börse, operator of the Vienna Stock Exchange. The event was designed to raise the profile of Austrian businesses operating in Asia among institutional investors. There was strong interest from both investors and the media. The participants also made contacts with local brokers and in future it will be possible to place stock orders directly with the brokers. In December we visited Zurich at the invitation of UBS and gave a presentation on AT&S at the Vienna Stock Exchange for an audience of over 50 financial advisers.

Over the past few months two factors have had a major impact on the performance of AT&S stock:

- Investor sentiment towards mobile devices manufacturers has been more positive and the AT&S share price has benefited as a result
- The share price came under pressure following the announcement of the plans for Chongqing

Although AT&S exceeded some analysts' forecasts in the third quarter, others revised their outlook for the Group. One analyst downgraded AT&S and another temporarily suspended the rating. AT&S stock is currently being followed by six analysts.

KEY STOCK FIGURES FOR THE FIRST THREE MONTHS (EUR)

	31 December 2012	31 December 2011
Earnings per share	0.23	0.94
High	9.60	15.90
Low	6.25	8.13
Close	8.06	8.41

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 CALENDAR

8 May 2013	Publication of annual results 2012/13
4 July 2013	19th Annual General Meeting

CONTACT INVESTOR RELATIONS

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Interim Financial Report (IFRS)

Consolidated Income Statement

(in EUR 1,000)	1 October - 31 December 2012	1 October - 31 December 2011	1 April - 31 December 2012	1 April - 31 December 2011
Revenues	150,350	129,870	405,121	371,754
Cost of sales	(123,886)	(105,768)	(347,962)	(309,384)
Gross Profit	26,464	24,102	57,159	62,370
Selling costs	(7,298)	(6,272)	(21,283)	(18,852)
General and administrative costs	(4,830)	(5,592)	(14,143)	(15,794)
Other operating result	(1,904)	(170)	(752)	3,920
Operating result	12,432	12,068	20,981	31,644
Financial income	25	1,374	257	3,670
Financial expense	(7,073)	(4,059)	(13,178)	(9,244)
Financial result	(7,048)	(2,685)	(12,921)	(5,574)
Profit before tax	5,384	9,383	8,060	26,070
Income tax expense	(2,027)	(1,487)	(2,621)	(4,206)
Profit for the period	**3,357**	**7,896**	**5,439**	**21,864**
thereof owners of the parent company	3,354	7,904	5,439	21,891
thereof non-controlling interests	3	(8)	–	(27)
Earnings per share for profit attributable to equity holders of the parent company (in EUR per share):				
- basic	0.14	0.34	0.23	0.94
- diluted	0.14	0.34	0.23	0.94
Weighted average number of shares outstanding - basic (in thousands)	23,323	23,323	23,323	23,323
Weighted average number of shares outstanding - diluted (in thousands)	23,351	23,363	23,351	23,363

Consolidated Statement of Comprehensive Income

(in EUR 1,000)	1 October - 31 December 2012	1 October - 31 December 2011	1 April - 31 December 2012	1 April - 31 December 2011
Profit for the period	**3,357**	**7,896**	**5,439**	**21,864**
Currency translation differences	(6,924)	19,612	8,127	46,660
Fair value (losses) of available-for-sale financial assets, net of tax	–	(6)	(20)	(17)
Fair value gains/(losses) of cash flow hedges, net of tax	28	(5)	32	(160)
Other comprehensive income for the period	**(6,896)**	**19,601**	**8,139**	**46,483**
Total comprehensive income for the period	**(3,539)**	**27,497**	**13,578**	**68,347**
thereof owners of the parent company	(3,543)	27,502	13,574	68,371
thereof non-controlling interests	4	(5)	4	(24)

Consolidated Balance Sheet

(in EUR 1,000)	31 December 2012	31 March 2012
ASSETS		
Non-current assets		
Property, plant and equipment	439,780	454,466
Intangible assets	2,147	2,451
Financial assets	96	96
Overfunded retirement benefits	593	581
Deferred tax assets	19,962	16,819
Other non-current assets	9,372	8,730
	471,950	483,143
Current assets		
Inventories	70,279	64,909
Trade and other receivables	121,630	115,483
Financial assets	780	768
Current income tax receivables	1,179	617
Cash and cash equivalents	43,728	29,729
	237,596	211,506
Total assets	**709,546**	**694,649**
EQUITY		
Share capital	45,535	45,535
Other reserves	30,690	22,555
Retained earnings	213,051	215,075
Equity attributable to owners of the parent company	289,276	283,165
Non-controlling interests	(51)	(55)
Total equity	**289,225**	**283,110**
LIABILITIES		
Non-current liabilities		
Financial liabilities	171,871	188,729
Provisions for employee benefits	14,563	13,895
Other provisions	10,732	11,422
Deferred tax liabilities	7,322	5,701
Other liabilities	4,213	3,641
	208,701	223,388
Current liabilities		
Trade and other payables	80,608	98,037
Financial liabilities	124,875	84,399
Current income tax payables	4,528	3,551
Other provisions	1,609	2,164
	211,620	188,151
Total liabilities	**420,321**	**411,539**
Total equity and liabilities	**709,546**	**694,649**

Consolidated Statement of Cash Flows

(in EUR 1,000)	1 April - 31 December 2012	1 April - 31 December 2011
Cash flows from operating activities		
Profit for the period	5,439	21,864
Adjustments to reconcile profit for the period to cash generated from operations:		
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	53,445	44,268
Changes in non-current provisions	(100)	352
Income tax expense	2,621	4,206
Financial expense	12,921	5,575
Losses from the sale of fixed assets	548	220
Release from government grants	(705)	(599)
Other non-cash expense/(income), net	(46)	730
Changes in working capital:		
- Inventories	(5,069)	(14,913)
- Trade receivables and others	(10,322)	1,450
- Trade and other payables	(14,080)	2,204
- Other provisions	(546)	(736)
Cash generated from operations	44,106	64,621
Interest paid	(12,175)	(8,430)
Interest and dividends received	226	170
Income tax paid	(3,897)	(5,928)
Net cash generated from operating activities	**28,260**	**50,433**
Cash flows from investing activities		
Capital expenditure for property, plant and equipment and intangible assets	(36,196)	(91,643)
Proceeds from sale of property, plant and equipment and intangible assets	3,352	52
Proceeds from sale of available for sale securities	35	–
Acquisition of non-controlling interest	–	(473)
Purchases of financial assets	(292)	(1,618)
Proceeds from sale of financial assets	151	1,433
Net cash used in investing activities	**(32,950)**	**(92,249)**
Cash flows from financing activities		
Proceeds from long-term bonds	–	98,999
Changes in other borrowings	24,473	(9,752)
Proceeds from government grants	1,512	2,664
Dividend paid	(7,463)	(8,396)
Net cash generated from financing activities	**18,522**	**83,515**
Net increase in cash and cash equivalents	**13,832**	**41,699**
Cash and cash equivalents at beginning of the year	29,729	4,227
Exchange gains on cash and cash equivalents	167	1,767
Cash and cash equivalents at end of period	**43,728**	**47,693**

Consolidated Statement of Changes in Equity

(in EUR 1,000)	Share capital	Other reserves	Retained earnings	**Equity attributable to owners of the parent company**	Non-controlling interests	**Total equity**
31 March 2011	**44,475**	**(12,032)**	**197,020**	**229,463**	**353**	**229,816**
Profit for the period	–	–	21,891	**21,891**	(27)	**21,864**
Other comprehensive income for the period	–	46,480	–	**46,480**	3	**46,483**
Total comprehensive income for the period	–	46,480	21,891	**68,371**	(24)	**68,347**
Dividend relating to 2010/11	–	–	(8,396)	**(8,396)**	–	**(8,396)**
Acquisition of non-controlling interests	–	–	(99)	**(99)**	(374)	**(473)**
31 December 2011	**44,475**	**34,448**	**210,416**	**289,339**	**(45)**	**289,294**
31 March 2012	**45,535**	**22,555**	**215,075**	**283,165**	**(55)**	**283,110**
Profit for the period	–	–	5,439	**5,439**	–	**5,439**
Other comprehensive income for the period	–	8,135	–	**8,135**	4	**8,139**
Total comprehensive income for the period	–	8,135	5,439	**13,574**	4	**13,578**
Dividend relating to 2011/12	–	–	(7,463)	**(7,463)**	–	**(7,463)**
31 December 2012	**45,535**	**30,690**	**213,051**	**289,276**	**(51)**	**289,225**

Segment Reporting

1 April - 31 December 2012

(in EUR 1,000)	Mobile Devices	Industrial & Automotive	Others	Elimination/ Consolidation	Group
Segment sales	256,200	175,438	1,379	(27,896)	405,121
Intersegment sales	(27,016)	(790)	(90)	27,896	–
Segment revenue, net	229,184	174,648	1,289	–	405,121
Operating result	16,734	5,787	(1,687)	147	20,981
Financial result					(12,921)
Profit before income tax					8,060
Income tax expense					(2,621)
Profit for the period					**5,439**
Intangible and tangible fixed assets	384,642	49,011	8,274	–	441,927
Investments	27,085	2,983	1,509	–	31,577
Depreciation/amortisation	45,805	5,979	1,661	–	53,445

1 April - 31 December 2011

(in EUR 1,000)	Mobile Devices	Industrial & Automotive	Others	Elimination/ Consolidation	Group
Segment sales	228,083	159,393	1,272	(16,994)	371,754
Intersegment sales	(16,904)	–	(90)	16,994	–
Segment revenue, net [1]	211,179	159,393	1,182	–	371,754
Operating result [2]					31,644
Financial result					(5,574)
Profit before income tax					26,070
Income tax expense					(4,206)
Profit for the period					**21,864**
Intangible and tangible fixed assets	396,090	53,963	10,160	–	460,213
Investments	63,764	9,456	1,273	–	74,493
Depreciation/amortisation	37,062	6,011	1,195	–	44,268

Additional information

Revenue broken down by region is as follows:

	1 April - 31 December	
(in EUR 1,000)	2012	2011
Austria	14,440	15,965
Germany	92,450	96,817
Hungary	15,624	31,637
Other European countries	35,954	27,505
Asia	202,034	142,239
Canada, USA, Mexico	39,547	53,792
Other	5,072	3,799
	405,121	**371,754**

[1] As a result of a change in the method of foreign currency translation, there are minor differences in the disclosure of segment revenues as compared with last year
[2] The operating results for the new segments cannot be calculated retrospectively for the comparable period last year, and an alternative presentation of current operating results on the basis of the old segments is not available. For this reason, no comparative figures are disclosed, and there is no alternative presenta-tion of current operating results on the old basis (IFRS 8.29-30)

Notes to the Interim Financial Report

GENERAL

ACCOUNTING AND VALUATION POLICIES The interim report for the three quarters ended 31 December 2012 has been prepared in accordance with the standards (IFRS and IAS) of the International Accounting Standards Board (IASB), taking IAS 34 into account, and the interpretations (IFRIC and SIC) as adopted by the European Union.

The consolidated interim financial statements do not include all the information contained in the consolidated annual financial statements and should be read in conjunction with the consolidated annual financial statements for the year ended 31 March 2012.

There are no differences in accounting and valuation policies compared with those applied in the financial year ended 31 March 2012, except in respect of the segment reporting.

In the financial year 2011/12 the Management Board – with the Supervisory Board's approval – decided to improve the Group's organisational structure with the aim of adapting its operational processes even more effectively to its customers' needs. Three business units were created: Mobile Devices, Industrial & Automotive and Advanced Packaging.

Mobile Devices is responsible for the production of printed circuit boards for mobile end-user devices such as smartphones, tablets, digital cameras and portable media players. The printed circuit boards for these applications are largely produced in our Shanghai facility.

The Industrial & Automotive business unit supplies automotive component suppliers and customers in the industrial, medical technology, aerospace and other sectors. Production for this business segment takes place at our plants in India and Korea and in all of our Austrian facilities.

Advanced Packaging specialises in new, technologically highly advanced applications. A variety of components are integrated directly into printed circuit boards in order to enable further reductions in the size of end-user devices while also enhancing the functionality. The new technology is useful in a wide range of applications. Advanced Packaging is still under development as a business unit, and is therefore not yet shown separately, but is included under "Others".

Since internal reporting was also adapted to reflect the new structure, segment reporting has been changed accordingly. Since no comparable information is available for the financial year 2011/12, no comparative segment operating results for that year are shown.

The consolidated interim statements for the nine months ended 31 December 2012 are unaudited and have not been the subject of external audit review.

NOTES TO THE INCOME STATEMENT

REVENUES Sales in the first three quarters of the current financial year amounted to EUR 405 million (m), 9% more than in the same period last year.

Thanks to continuing strong demand for smartphones, sales in Mobile Devices were up 9%.

Industrial & Automotive sales were also up, by 10%, on the same period last year. Automotive and Medical & Healthcare in particular generated growth, while Industrial showed a slight decline in revenues because of the overall economic situation.

The geographical distribution of production volumes – 75% in Asia and 25% in Europe – shows a slight shift towards Asia compared with the same period last year, when the split was 72% to 28%.

With 50% of sales in Asia, 39% in Europe and 11% in the USA, sales revenues showed a similar redistribution, largely away from Europe to the advantage of Asia.

GROSS PROFIT In spite of the increase in sales, the gross profit margin of 14% fell short of the 17% achieved in the same period last year, principally because of capacity underutilisation in our Shanghai plant. From the segment perspective, Industrial & Automotive improved its gross margin year on year from 13% to 14%, while Mobile Devices saw a decline in gross margin from 19% to 14%.

OPERATING RESULTS As a result of the lower gross profit, operating results were also down. Sales and administrative costs remained stable. Reductions in grant income and unrealised negative exchange rate differences also contributed to the lower other operating results, so that overall operating profits in relation to sales fell from 8.5% in the first three quarters of last financial year to 5.2% in the same period this year.

On a quarterly basis, the current financial year shows a positive trend, with the ratio improving from 2.9% in the first quarter to 3.8% in the second quarter and 8.3% in the third.

FINANCIAL RESULTS Financial income consisted of interest income on short-term investments.

Financial expenses consisted of interest expense of EUR 10.5m, compared with EUR 8.7m in the same period last year, and of unrealised exchange losses on intra-group financing arising from changes in exchange rates. The increase in realised interest expense reflects the accrual for interest on the EUR 100m bond issued in November 2011.

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

Taxes on income 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 favourable movement of EUR 8.1m on the foreign currency translation reserve in the current financial year consisted almost exclusively of changes in the exchange rates of the Group's functional currencies, the renminbi yuan (CNY) and Hong Kong dollar (HKD), against the Group reporting currency, the euro.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

ASSETS AND FINANCES Net debt of EUR 252.1m at 31 December 2012 was slightly higher than at 31 March 2012 (EUR 242.5m), but lower than at 30 September 2012 (EUR 255.2m). Net current assets rose from EUR 92.3m at 31 March 2012 to EUR 120.8m. The net gearing ratio of 87% was unchanged from that date.

Mainly as a result of healthy earnings and foreign currency translation gains, the Group's consolidated equity rose from EUR 283.1m at the end of the last financial year to EUR 289.2m at 31 December 2012. Consolidated net income for the period totalled EUR 13.6m.

TREASURY SHARES In the 16th Annual General Meeting of 7 July 2010 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 6 July 2015) and subject to the approval of the Supervisory Board – to dispose of treasury shares otherwise than through the stock exchange or by means of a public offering, and in particular for the purpose of enabling the exercise of employee stock options or the conversion of convertible bonds, or as consideration for the acquisition of businesses or other assets.

No further treasury shares were acquired under the share repurchase scheme in the first three quarters of this financial year. At 31 December 2012 and taking into account the stock options exercised, the Group held the same number of treasury shares – 2,577,412 shares, or 9.95% of the issued share capital – as at 31 March 2012, with a total acquisition cost of EUR 46.6m.

NOTES TO THE STATEMENT OF CASH FLOWS

Net cash generated by operating activities in the first three quarters of the financial year amounted to EUR 28.3m, compared with EUR 50.4m in the same period last year. The main reasons for the difference were that, compared with the first three quarters of last financial year, consolidated net income was lower by EUR 16.4m, the charge for depreciation and amortisation – a non-cash item – was higher by EUR 9.1m, and working capital was up by EUR 18.0m.

Net cash used in investing activities amounted to EUR 32.9m, which is significantly lower than the net outflow of EUR 92.2m in the same period last year. The investments in the current financial year are the final payments for the last phase of expansion in Shanghai (EUR 16.7m) together with investments of EUR 14.5m in the new production facility in Chongqing.

Cash inflows from financing activities came to EUR 18.5m, reflecting the receipt of a EUR 69m financing loan provided by Österreichische Kontrollbank (OeKB). At the same time, Management stepped up repayment of short-term financial liabilities.

OTHER INFORMATION

DIVIDENDS During the first three quarters of the current financial year, the Annual General Meeting of 5 July 2012 resolved on payment of a dividend of EUR 0.32 per share out of retained earnings as at 31 March 2012. The dividend distribution of EUR 7,463,000 took place on 26 July 2012.

RELATED PARTY TRANSACTIONS In the first three quarters of the current financial year, consultancy fees of EUR 274,000 payable to AIC Androsch International Management Consulting GmbH and EUR 6,000 payable to Dörflinger Management und Beteiligungs GmbH were incurred in connection with various projects.

Leoben-Hinterberg, 22 January 2013

Management Board

Andreas Gerstenmayer m.p.
Thomas Obendrauf m.p.
Heinz Moitzi m.p.

Group Interim Management Report

BUSINESS DEVELOPMENTS AND PERFORMANCE The seasonal fluctuation in the sales of printed circuit boards was evident once again in sales revenues in the first three quarters of this financial year: the Group's sales rose from EUR 126m in the first quarter to EUR 129m in the second quarter. In the third quarter sales climbed to EUR 150m, the highest level in the Group's history.

In terms of business segments, Mobile Devices achieved a marked increase in sales (after adjusting for inter-segment sales) as compared with the first three quarters of last financial year, and sales revenues were up by 9%, to EUR 229.2m. Industrial & Automotive increased its revenues by 10%, from EUR 159.4m to EUR 174.6m. The results from Medical & Healthcare and Automotive in particular were very positive.

At our Leoben facility both capacity utilisation and the development of the product mix have been very satisfactory. Development projects in cooperation with our customers, and small series production were largely responsible for this good performance.

Our plant in Shanghai, which is geared towards large batches using HDI technology, suffered from capacity underutilisation in the first quarter as a result of model changes, delayed ramp-ups and the sales problems experienced by some customers. Since the middle of the second quarter, capacity utilisation at the facility has improved continuously. Capacity utilisation in the third quarter was good, but we expect the coming months to be marked by the seasonality typical in our business.

Performance is positive at the plants in India and Korea.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD In January 2013 the Management Board decided to extend the product portfolio by embarking on the manufacture of integrated circuit (IC) substrates, thereby entering another high-tech market. The substrates are to be produced in China. The necessary know-how will be acquired with the support of a leading semiconductor manufacturer. The new plant currently under construction in Chongqing will focus on this new business. The total investment budgeted for this venture is EUR 350m, and the first revenues from the business are expected in 2016.

SIGNIFICANT RISKS, UNCERTAINTIES AND OPPORTUNITIES

There were no material differences in the categories of risk exposure in the course of the first three quarters of the financial year 2012/13, compared with those described in detail in the notes to the 2011/12 consolidated financial statements under II. Risk Report.

AT&S's liquidity is excellent. The issue of a five-year EUR 100m bond in November 2011 and the provision of a long-term loan by Österreichische Kontrollbank in April 2012 mean that sufficient long-term funds are available. Sufficient short-term credit facilities are also available to cover the increased working capital requirements resulting from higher volumes of business. In addition to this, on the basis of the authorisation conferred in the Annual General Meeting of 7 July 2010, the Management Board also has the option of issuing up to 12,950,000 new shares out of authorised capital and convertible bonds up to a nominal value of EUR 100,000,000 and may dispose of treasury shares.

In the first three quarters of the financial year 2012/13 there was a significant positive cash flow from operating activities. On the basis of expected continuing net cash inflows from operating activities and the extensive financing options, enough liquidity is available to cover all currently planned and potential future investments.

For more information on the use of financial instruments, please refer to the detailed Risk Report in the notes to the consolidated annual financial statements. Group exposure to currency risk and its effects on operating profit is further reduced by the fact that the Group's sales in US dollars are largely originated in production facilities in the extended dollar area. With respect to the remaining effects, changes in the exchange rates of functional currencies against the reporting currency, the euro, are mainly recognised directly in equity without affecting profit and loss.

At 31 December 2012, net gearing was 87% – the same level as at 31 March 2012. Foreign currency translation gains from the appreciation of the CNY and HKD against the EUR helped to strengthen the Group's equity base, so that we were nearly able to reach the target ratio of 80%.

In the first three quarters of the current financial year, the Group was slightly below its expected levels of internal and external growth. With respect to the opportunities and risks related to developments in the external environment for the financial year 2012/13 as a whole, the assumption is still that total sales of the printed circuit board industry worldwide will increase.

OUTLOOK

The increasing use of electronic devices in a wide range of day-to-day applications continues to justify the assumption that the demand for printed circuit boards will carry on growing, especially at the high-value end of the spectrum. Given AT&S's focus on the high-tech segment, the Management continues to see above-average growth opportunities.

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

Leoben-Hinterberg, 22 January 2013

Management Board

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