



**More than  
AT&S**

# Key figures

|   | Unit          | H1 2016/17          | H1 2017/18  | Change<br>in % |
|---|---------------|---------------------|-------------|----------------|
| <b>EARNINGS DATA AND GENERAL INFORMATION</b>                              |               |                     |             |                |
| Revenue   | € in millions | 386.5               | 485.7       | 25.7%          |
| thereof produced in Asia  | %             | 81%                 | 84%         | –              |
| thereof produced in Europe  | %             | 19%                 | 16%         | –              |
| Cost of sales   | € in millions | 364.5               | 415.3       | 14.0%          |
| Gross profit  | € in millions | 22.1                | 70.4        | >100%          |
| Gross profit margin   | %             | 5.7%                | 14.5%       | –              |
| EBITDA  | € in millions | 52.1                | 104.4       | >100%          |
| EBITDA margin   | %             | 13.5%               | 21.5%       | –              |
| EBIT  | € in millions | (5.8)               | 36.9        | >100%          |
| EBIT margin   | %             | (1.5%)              | 7.6%        | –              |
| Profit/(loss) for the period  | € in millions | (14.8)              | 15.4        | >100%          |
| Profit/(loss) for the period attributable to owners of the parent company | € in millions | (14.8)              | 15.4        | >100%          |
| ROE (Return on equity) <sup>1)</sup>                                      | %             | (5.4%)              | 6.0%        | –              |
| ROCE (Return on capital employed) <sup>1)</sup>                           | %             | (1.1%)              | 4.5%        | –              |
| ROS (Return on sales)   | %             | (3.8%)              | 3.2%        | –              |
| Cashflow from operating activities (OCF)                                  | € in millions | (13.0)              | 43.6        | >100%          |
| Net CAPEX   | € in millions | 142.5               | 95.0        | (33.4%)        |
| Employees (incl. leased personnel), end of reporting period               | –             | 9,482               | 10,075      | 6.2%           |
| Employees (incl. leased personnel), average                               | –             | 9,315               | 10,030      | 7.7%           |
| <b>BALANCE SHEET DATA</b>   |               |                     |             |                |
|   |               | 31 Mar 2017         | 30 Sep 2017 |                |
| Total assets  | € in millions | 1,436.7             | 1,365.0     | (5.0%)         |
| Total equity  | € in millions | 540.1               | 492.6       | (8.8%)         |
| Equity attributable to owners of the parent company                       | € in millions | 540.1               | 492.6       | (8.8%)         |
| Equity ratio  | %             | 37.6%               | 36.1%       | –              |
| Net debt  | € in millions | 380.5               | 435.7       | 14.5%          |
| Net gearing   | %             | 70.5%               | 88.5%       | –              |
| Net working capital   | € in millions | 24.4                | 70.6        | >100%          |
| Net working capital per revenue   | %             | 3.0%                | 7.3%        | –              |
| <b>STOCK EXCHANGE DATA</b>  |               |                     |             |                |
|   |               | H1 2016/17          | H1 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                   | €             | (0.38)              | 0.40        | >100%          |
| Earnings per average number of shares outstanding                         | €             | (0.38)              | 0.40        | >100%          |
| Market capitalisation, end of reporting period                            | € in millions | 425.0               | 466.2       | 9.7%           |
| Market capitalisation per equity <sup>2)</sup>                            | %             | 79.9% <sup>3)</sup> | 94.6%       | –              |

<sup>1)</sup> Calculated on the basis of average values.

<sup>2)</sup> Equity attributable to owners of the parent company.

<sup>3)</sup> Calculated on the basis of the Equity as of 30 Sep 2016.

# Summary

- Very high demand and utilisation at the capacity limit at nearly all plants, especially in the second quarter.
- Ramp-up of the new technology generation in the core business (mSAP) better and faster than originally expected.
- Further efficiency increases in IC substrates in Chongqing and positive effects of general efficiency measures.
- Revenue up 25.7% to € 485.7 million.
- EBITDA doubled to € 104.4 million (H1 2016/17: € 52.1 million).
- EBITDA margin increased by 8.0 percentage points to 21.5% (H1 2016/17: 13.5%).
- Profit for the period positive again at € 15.4 million (H1 2016/17: € -14.8 million).
- Earnings per share of € 0.40 vs. loss per share of € -0.38 in the previous year.
- Net investments in tangible and intangible assets in the first six months: € 95.0 million.
- Net debt of € 435.7 million; net gearing ratio amounted to 88.5%.
- First project phase and ramp-up Chongqing completed in operational and budget terms.

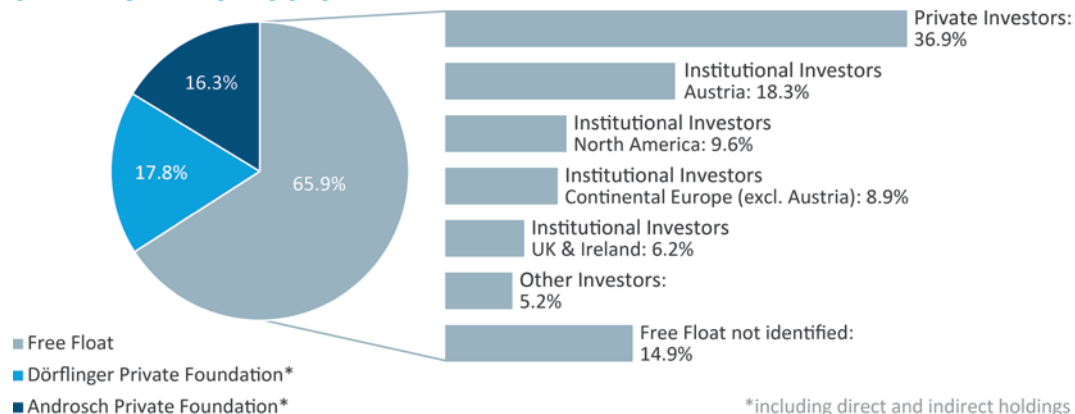


# Corporate Governance information

**AT&S AG SUPERVISORY BOARD** Effective 19 September 2017, Günter Pint was appointed by the Works Council to the Supervisory Board, replacing Sabine Fussi. Thus, Sabine Fussi resigned from the Supervisory Board on this date.

# AT&S share

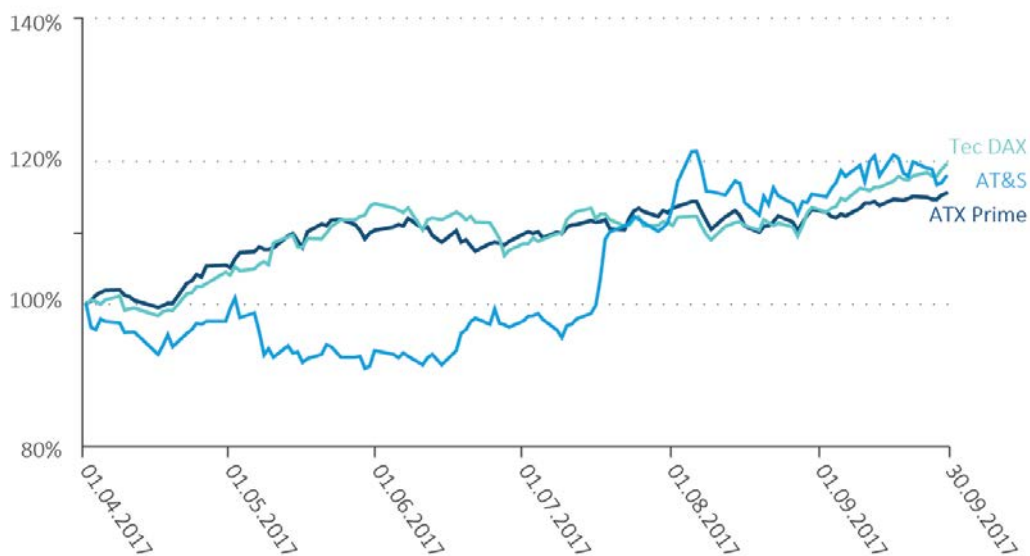
## SHAREHOLDER STRUCTURE



**DEVELOPMENTS IN THE CAPITAL MARKET IN THE FIRST HALF OF 2017/18** Despite elements of uncertainty, especially regarding geopolitical tensions and the stability of the political developments in the USA, good economic data and corporate results led to a fundamentally positive mood in the international financial markets overall. In terms of currency development, the strength of the euro against the US dollar was particularly remarkable. Contrary to previous forecasts, the euro peaked at more than USD 1.20 for the first time since January 2015.

In the second quarter of the AT&S financial year, the Dow Jones Industrial reached another all-time high, gaining 4.9% in that quarter. The European stock benchmark Euro Stoxx 50 showed a similar increase by 4.4%. The development in the Austrian capital market was even more positive. The Austrian lead index ATX and the broader-based ATX Prime rose by 6.7% and 6.2% respectively in the past quarter. The ATX also reached its highest level in nine years.

## AT&S AGAINST ATX PRIME AND TEC DAX



**PERFORMANCE AND LIQUIDITY OF THE AT&S SHARE** While the price of the AT&S share ranged between € 9.16 and € 10.30 in the first quarter of the financial year, a significant increase in the share price by 22.0% was recorded between July and September – also due to the figures of the first quarter of 2017/18, which were published in July 2017 and showed a clear improvement compared with the previous year. A new high of € 12.40 was recorded in the reporting period and the AT&S share finally closed at € 12.00 at 30 September 2017. The AT&S share consequently gained 16.6% (closing price at 31 March 2017: € 10.29) in the first six months of the AT&S financial year. The daily volume of AT&S shares traded on the Vienna Stock Exchange in the first six months of the financial year fell by roughly a quarter to an average of 59,313 AT&S shares per day (previous year: 79,341 shares; single count). The average daily trading turnover declined to a similar extent and, at € 630,334, also fell short of the prior-year figure at € 875,829 (single count).

In the first half of the financial year 2017/18, AT&S capital communication focused on intensifying contact with existing investors. As part of the road show and conference programme at European financial centres and at the 23<sup>rd</sup> Annual General Meeting, information primarily focused on the development and progress at the new plants in Chongqing and the establishment of the next technology generation in the core business. Other important topics included the business development in the existing customer segments and the developments in the electronics value chain as well as the future positioning of AT&S.

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

### KEY SHARE FIGURES FOR THE FIRST SIX MONTHS

| €                  | 30 Sep 2017 | 30 Sep 2016 |
|--------------------|-------------|-------------|
| Earnings per share | 0.40        | (0.38)      |
| High               | 12.40       | 13.43       |
| Low                | 9.16        | 9.60        |
| Close              | 12.00       | 10.94       |

### 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

|                 |  |
|-----------------|--|
| 31 January 2018 | Results for the first three quarters 2017/18 |
| 08 May 2018     | Annual results 2017/18                       |
| 25 June 2018    | Record date Annual General Meeting           |
| 05 July 2018    | 24 <sup>th</sup> Annual General Meeting      |

### CONTACT INVESTOR RELATIONS

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# Group Interim Management Report

**BUSINESS DEVELOPMENTS AND SITUATION** AT&S clearly exceeded the targets set in the first half of 2017/18. Revenue rose by € 99.2 million or 25.7% from € 386.5 million to € 485.7 million. This increase resulted from strong customer demand in all segments. In addition to significantly higher revenue with IC substrates in comparison with the first six months of the previous year, the increase in revenue was primarily attributable to the better and faster ramp-up as well as a very good development of demand for the new technology generation in the core business (mSAP) from August onwards. In general, the product mix continued to improve in the first half of the year. Demand for printed circuit boards for mobile devices was higher than in the previous year and could be met despite the partial conversion of our Shanghai plant and the resulting capacity reduction. The Automotive, Industrial, Medical segment saw an increase in 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 had a slightly negative influence on the development of revenue. The portion of revenue from products made in Asia increased from 81% in the previous year to 84% in the current financial year.

## Result key data

€ in millions (unless otherwise stated)

|   | H1 2017/18 | H1 2016/17 | Change in % |
|---|------------|------------|-------------|
| Revenue   | 485.7      | 386.5      | 25.7%       |
| Operating result before interest, tax, depreciation and amortisation (EBITDA) | 104.4      | 52.1       | >100%       |
| EBITDA margin (%)   | 21.5%      | 13.5%      |             |
| Operating result (EBIT)   | 36.9       | (5.8)      | >100%       |
| EBIT margin (%)   | 7.6%       | (1.5%)     |             |
| Profit/(loss) for the period  | 15.4       | (14.8)     | >100%       |
| Earnings per share (€)  | 0.40       | (0.38)     | >100%       |
| Additions to property, plant and equipment and intangible assets              | 65.9       | 133.2      | (50.5%)     |
| Average number of staff (incl. leased personnel)                              | 10,030     | 9,315      | 7.7%        |

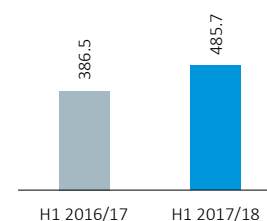
EBITDA improved by € 52.3 million or 100.4% from € 52.1 million to € 104.4 million. The increase primarily results from general efficiency measures and the fact that challenges related to the newly introduced technologies were overcome faster than expected. This development was supported by a positive product mix and – based on the weaker development of the Chinese renminbi against the euro – a favourable currency development for production costs. Continued high raw material prices and price pressure, above all in the area of IC substrates, had a negative impact on earnings.

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

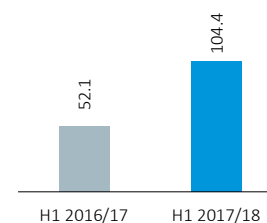
The EBITDA margin amounted to 21.5% in the first six months, up 8.0 percentage points on the prior-year level of 13.5%. The comparative figures of the previous year were characterised by the ramp-up of the two new plants in Chongqing, which entailed fixed production costs while earnings were still low.

Depreciation and amortisation rose by € 9.6 million or 16.6% from € 57.9 million in the previous year to € 67.5 million. This is due to an increase in depreciation and amortisation by € 11.4 million for the plants in Chongqing and extraordinary depreciation of € 0.6 million resulting from the impairment of technical plant in China that is no longer used. This increase was partially offset by positive exchange rate effects of € 2.4 million.

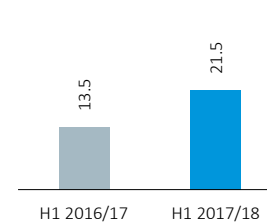
Development of revenue  
€ in millions

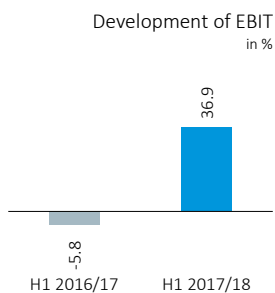


Development of EBITDA  
€ in millions



EBITDA margin  
in %



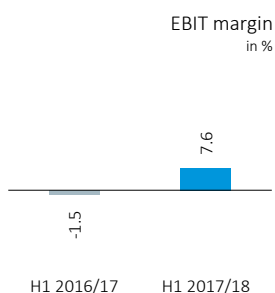


EBIT increased by € 42.7 million from € -5.8 million to € 36.9 million and improved to a lesser extent than EBITDA due to higher depreciation and amortisation. The EBIT margin amounted to 7.6% (previous year: -1.5%).

Finance costs – net improved significantly from € -10.0 million to € -5.6 million. Despite higher average gross debt, gross interest expenses, at € 7.3 million, were 10.7% below the prior-year level of € 8.2 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 € 0.2 million, was € 0.7 million below the prior-year level of € 0.9 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 € 3.1 million in the first six months of the financial year (previous year: expense of € 3.7 million).

Tax expenses amounted to € 15.9 million in the first six months (previous year: tax income of € 1.0 million). This increase was attributable to the fact that, in comparison with the interim financial statements of the previous year, deferred taxes of AT&S (Chongqing) Company Limited were no longer capitalised and that the reduced tax rate at AT&S (China) Company Limited is no longer applied since 31 December 2016 (efforts are currently made to return to the favoured tax scheme).

Despite the increase in tax expense, the loss for the period € -14.8 million improved by € 30.2 million to a profit of € 15.4 million due to the significantly better operating result and finance costs – net. This led to an improvement in earnings per share from € -0.38 to € 0.40.



**FINANCIAL POSITION** Total assets decreased by € 71.7 million or -5.0% from € 1,436.7 million to € 1,365.0 million in the first six months. The increase based on additions to assets for the new plants in Chongqing amounting to € 24.2 million and technology upgrades at the other sites amounting to € 41.7 million (the additions to assets led to cash CAPEX of € 95.0 million) were offset by depreciation and amortisation totalling € 67.5 million. Furthermore, exchange rate effects reduced fixed assets by € 53.0 million. The increase in inventories from € 108.8 million to € 122.8 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.

Due to the seasonal build-up of net working capital and the expiry of different optimisation measures, cash and cash equivalents declined to € 136.3 million (31 March 2017: € 203.5 million). In addition to cash and cash equivalents, AT&S has financial assets of € 8.5 million and unused credit lines of € 201.0 million as a financial reserve.

Equity declined by € 47.5 million or -8.8% from € 540.1 million to € 492.6 million. The decline was due to negative currency differences of € 59.0 million which resulted 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. The profit for the period increased equity by € 15.4 million.

Based on the lower equity and the lower total assets, the equity ratio amounted to 36.1%, down 1.5 percentage points on the value of 31 March 2017.

Net debt rose by € 55.2 million or 14.5% from € 380.5 million to € 435.7 million. This increase resulted from high investment activities and the build-up of net working capital.

The net gearing ratio, at 88.5%, was higher than at 31 March 2017, at 70.5%. This increase results from higher net debt on the one hand and from the reduction of equity due to the above-mentioned effects on the other.



**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 58.0% to 64.1%. The share of the Automotive, Industrial, Medical segment declined to 35.5% (previous year: 41.5%) 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 six months and could be met because the technological challenges related to the newly introduced technologies were overcome faster than expected and despite reduced available capacity due to a partial conversion of the plant in Shanghai. The segment also benefited from substantially higher revenue from IC substrates, which were generated after a successful ramp-up of the second line. Despite slightly negative exchange rate effects, revenue increased by € 89.2 million or 33.1%, from € 269.7 million to € 358.9 million due to these effects and the related improvement in product mix.

#### Mobile Devices & Substrates segment – overview

€ in millions (unless otherwise stated)

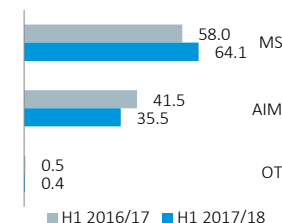
|   | H1 2017/18 | H1 2016/17 | Change in % |
|---|------------|------------|-------------|
| Segment revenue   | 358.9      | 269.7      | 33.1%       |
| Revenue from external customers   | 311.2      | 224.3      | 38.7%       |
| Operating result before interest, tax, depreciation and amortisation (EBITDA) | 80.3       | 24.5       | >100%       |
| EBITDA margin (%)   | 22.4%      | 9.1%       |             |
| Operating result (EBIT)   | 21.6       | (25.5)     | >100%       |
| EBIT margin (%)   | 6.0%       | (9.4%)     |             |
| Additions to property, plant and equipment and intangible assets              | 57.6       | 120.2      | (52.1%)     |
| Employees (incl. leased personnel), average                                   | 7,128      | 6,495      | 9.7%        |

EBITDA improved by € 55.8 million or 227.8% from € 24.5 million to € 80.3 million. The increase in EBITDA is based on general efficiency enhancement measures and higher contribution margins. In addition, the segment overall benefited from the exchange rate developments. Higher raw material prices and the continued price pressure – especially for IC substrates – had a negative impact. This resulted in an EBITDA margin of 22.4% which clearly exceeds the comparative value of 9.1% in the previous year.

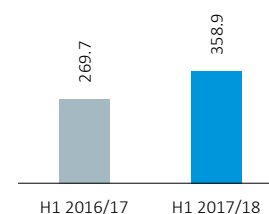
The segment's depreciation and amortisation rose by € 8.7 million or 17.4% from € 50.0 million to € 58.7 million. The increase predominantly resulted from depreciation at the two new plants in Chongqing, which was partially offset by exchange rate effects. EBIT amounted to € 21.6 million, thus exceeding the prior-year value of € -25.5 million by € 47.1 million. The resulting EBIT margin amounts to 6.0% (previous year: -9.4%).

At the Chongqing site, additions to assets of € 24.2 million were recorded in the first six months (previous year: € 84.9 million). The other additions were related to technology upgrades at the Shanghai plant. The increase in the number of employees by 633 persons is primarily attributable to the establishment of the Chongqing plant.

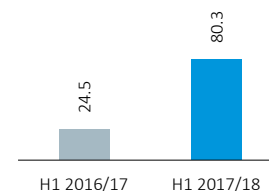
Revenue from external customers by segment in %



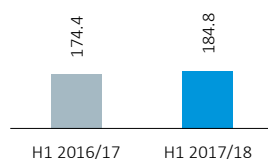
Mobile Devices & Substrates Development of revenue € in millions



Mobile Devices & Substrates EBITDA Development € in millions



Automotive, Industrial,  
Medical  
Development of revenue  
€ in millions



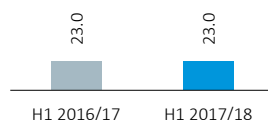
**AUTOMOTIVE, INDUSTRIAL, MEDICAL SEGMENT** With revenue growth of € 10.4 million or 6.0%, this segment increased the prior-year figure of € 174.4 million to € 184.8 million. The increase in revenue resulted from strong demand by all three business units, but especially from Industrial and Medical. Lower demand in the Mobile Devices & Substrates segment and the Others segment were thus overcompensated.

#### Automotive, Industrial, Medical segment – overview

€ in millions (unless otherwise stated)

|   | H1 2017/18 | H1 2016/17 | Change in % |
|---|------------|------------|-------------|
| Segment revenue   | 184.8      | 174.4      | 6.0%        |
| Revenue from external customers   | 172.3      | 160.3      | 7.5%        |
| Operating result before interest, tax, depreciation and amortisation (EBITDA) | 23.0       | 23.0       | (0.3%)      |
| EBITDA margin (%)   | 12.4%      | 13.2%      |             |
| Operating result (EBIT)   | 14.8       | 15.7       | (5.8%)      |
| EBIT margin (%)   | 8.0%       | 9.0%       |             |
| Additions to property, plant and equipment and intangible assets              | 7.3        | 12.5       | (41.7%)     |
| Employees (incl. leased personnel), average                                   | 2,740      | 2,664      | 2.8%        |

Automotive, Industrial,  
Medical  
EBITDA Development  
€ in millions



At € 23.0 million, the segment's EBITDA remained unchanged at the level of 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 was used again.

The EBITDA margin recorded a decline from 13.2% to 12.4%, down 0.8 percentage points on the prior-year level. 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 increased by € 0.9 million or 12.3% from € 7.3 million to € 8.2 million. EBIT declined by € 0.9 million or 5.7% from € 15.7 million to € 14.8 million.

Additions to assets, at € 7.3 million, were below the prior year level of € 12.5 million.

**OTHERS SEGMENT** The business unit Advanced Packaging, which is part of the Others segment, recorded a decrease in revenue by € 1.4 million or -19.8% to € 5.5 million (previous year: € 6.9 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)

|  | H1 2017/18 | H1 2016/17 | Change<br>in % |
|--|------------|------------|----------------|
| Segment revenue  | 5.5        | 6.9        | (19.8%)        |
| Revenue from external customers  | 2.2        | 1.8        | 17.0%          |
| Operating result before interest, tax, depreciation<br>and amortisation (EBITDA) | 1.1        | 4.6        | (77.0%)        |
| EBITDA margin (%)  | 19.0%      | 66.4%      |                |
| Operating result (EBIT)  | 0.4        | 3.9        | (90.2%)        |
| EBIT margin (%)  | 6.9%       | 56.9%      |                |
| Additions to property, plant and equipment and intangible assets                 | 1.1        | 0.5        | >100%          |
| Employees (incl. leased personnel), average                                      | 162        | 156        | 3.9%           |

**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** AT&S expects the good demand to continue in the most important customer segments in the coming six months; at the same time the usual seasonality of the fourth quarter and low visibility as well as continued price pressure, especially for IC substrates, are expected.

Provided that the macroeconomic environment remains stable and the USD/EUR currency relation stays at a similar level as in the past financial year, AT&S expects an increase in revenue of 20-25% for the financial year 2017/18. The EBITDA margin should range between 19-22%. Higher depreciation for predominantly new production lines of roughly € 15.0 million in the financial year 2017/18 will have an influence on EBIT.

Leoben-Hinterberg, 2 November 2017

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 Jul - 30 Sep 2017 | 01 Jul - 30 Sep 2016 | 01 Apr - 30 Sep 2017 | 01 Apr - 30 Sep 2016 |
|---|----------------------|----------------------|----------------------|----------------------|
| Revenue   | 286,044              | 207,643              | 485,680              | 386,510              |
| Cost of sales   | (229,342)            | (195,017)            | (415,327)            | (364,458)            |
| <b>Gross profit</b>   | <b>56,702</b>        | <b>12,626</b>        | <b>70,353</b>        | <b>22,052</b>        |
| Distribution costs  | (7,868)              | (6,374)              | (16,210)             | (13,948)             |
| General and administrative costs  | (8,550)              | (5,644)              | (17,886)             | (13,106)             |
| Other operating income  | 1,791                | 4,336                | 2,976                | 5,456                |
| Other operating costs   | (1,791)              | (1,593)              | (2,357)              | (6,272)              |
| Other operating result  | –                    | 2,743                | 619                  | (816)                |
| <b>Operating result</b>   | <b>40,284</b>        | <b>3,351</b>         | <b>36,876</b>        | <b>(5,818)</b>       |
| Finance income  | 1,360                | 701                  | 3,525                | 1,097                |
| Finance costs   | (4,718)              | (5,029)              | (9,100)              | (11,143)             |
| <b>Finance costs – net</b>  | <b>(3,358)</b>       | <b>(4,328)</b>       | <b>(5,575)</b>       | <b>(10,046)</b>      |
| <b>Profit/(loss) before tax</b>   | <b>36,926</b>        | <b>(977)</b>         | <b>31,301</b>        | <b>(15,864)</b>      |
| Income taxes  | (10,263)             | (228)                | (15,867)             | 1,025                |
| <b>Profit/(loss) for the period</b>   | <b>26,663</b>        | <b>(1,205)</b>       | <b>15,434</b>        | <b>(14,839)</b>      |
| Attributable to owners of the parent company  | 26,663               | (1,205)              | 15,434               | (14,839)             |
| Earnings per share attributable to equity holders of the parent company (in € per share): |                      |                      |                      |                      |
| – basic   | 0.69                 | (0.03)               | 0.40                 | (0.38)               |
| – diluted   | 0.69                 | (0.03)               | 0.40                 | (0.38)               |
| 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 Jul - 30 Sep 2017 | 01 Jul - 30 Sep 2016 | 01 Apr - 30 Sep 2017 | 01 Apr - 30 Sep 2016 |
|--|----------------------|----------------------|----------------------|----------------------|
| <b>Profit/(loss) for the period</b>  | <b>26,663</b>        | <b>(1,205)</b>       | <b>15,434</b>        | <b>(14,839)</b>      |
| Items to be reclassified:  |                      |                      |                      |                      |
| Currency translation differences   | (15,395)             | (6,414)              | (59,032)             | (8,183)              |
| Gains from the fair value measurement of available-for-sale financial assets, net of tax         | –                    | –                    | 15                   | –                    |
| (Losses) from the fair value measurement of hedging instruments for cash flow hedges, net of tax | (64)                 | –                    | (64)                 | –                    |
| <b>Other comprehensive income for the period</b>   | <b>(15,459)</b>      | <b>(6,414)</b>       | <b>(59,081)</b>      | <b>(8,183)</b>       |
| <b>Total comprehensive income for the period</b>   | <b>11,204</b>        | <b>(7,619)</b>       | <b>(43,647)</b>      | <b>(23,022)</b>      |
| Attributable to owners of the parent company   | 11,204               | (7,619)              | (43,647)             | (23,022)             |

# Consolidated Statement of Financial Position

€ in thousands

30 Sep 2017

31 Mar 2017

|  | 30 Sep 2017      | 31 Mar 2017      |
|--|------------------|------------------|
| <b>ASSETS</b>  |                  |                  |
| Property, plant and equipment                              | 785,872          | 833,095          |
| Intangible assets  | 82,915           | 91,655           |
| Financial assets   | 193              | 173              |
| Deferred tax assets  | 39,455           | 38,659           |
| Other non-current assets                                   | 55,829           | 65,781           |
| <b>Non-current assets</b>                                  | <b>964,264</b>   | <b>1,029,363</b> |
| Inventories  | 122,782          | 108,844          |
| Trade and other receivables                                | 131,228          | 85,796           |
| Financial assets   | 8,498            | 8,660            |
| Current income tax receivables                             | 1,939            | 546              |
| Cash and cash equivalents                                  | 136,265          | 203,485          |
| <b>Current assets</b>                                      | <b>400,712</b>   | <b>407,331</b>   |
| <b>Total assets</b>  | <b>1,364,976</b> | <b>1,436,694</b> |
| <b>EQUITY</b>  |                  |                  |
| Share capital  | 141,846          | 141,846          |
| Other reserves   | 22,648           | 81,729           |
| Retained earnings  | 328,068          | 316,519          |
| <b>Equity attributable to owners of the parent company</b> | <b>492,562</b>   | <b>540,094</b>   |
| <b>Total equity</b>  | <b>492,562</b>   | <b>540,094</b>   |
| <b>LIABILITIES</b>   |                  |                  |
| Financial liabilities                                      | 510,988          | 519,830          |
| Provisions for employee benefits                           | 35,149           | 34,282           |
| Other provisions   | 42               | 47               |
| Deferred tax liabilities                                   | 5,175            | 4,700            |
| Other liabilities  | 12,080           | 10,990           |
| <b>Non-current liabilities</b>                             | <b>563,434</b>   | <b>569,849</b>   |
| Trade and other payables                                   | 210,320          | 230,845          |
| Financial liabilities                                      | 69,692           | 73,037           |
| Current income tax payables                                | 21,852           | 15,572           |
| Other provisions   | 7,116            | 7,297            |
| <b>Current liabilities</b>                                 | <b>308,980</b>   | <b>326,751</b>   |
| <b>Total liabilities</b>                                   | <b>872,414</b>   | <b>896,600</b>   |
| <b>Total equity and liabilities</b>                        | <b>1,364,976</b> | <b>1,436,694</b> |

# Consolidated Statement of Cash Flows

€ in thousands

01 Apr - 30 Sep 2017 01 Apr - 30 Sep 2016

|  |                 |                  |
|--|-----------------|------------------|
| <b>Operating result</b>  | <b>36,876</b>   | <b>(5,818)</b>   |
| Depreciation, amortisation and impairment of property, plant and equipment and intangible assets | 67,478          | 57,933           |
| Gains/losses from the sale of fixed assets   | (176)           | 22               |
| Changes in non-current provisions  | 1,553           | (1,627)          |
| Non-cash expense/(income), net   | (655)           | (1,307)          |
| Interest paid  | (5,721)         | (3,967)          |
| Interest received  | 225             | 901              |
| Income taxes paid  | (12,374)        | (9,219)          |
| <b>Cash flow from operating activities before changes in working capital</b>                     | <b>87,206</b>   | <b>36,918</b>    |
| Inventories  | (20,407)        | (14,288)         |
| Trade and other receivables  | (45,927)        | (47,430)         |
| Trade and other payables   | 22,104          | 9,999            |
| Other provisions   | 642             | 1,764            |
| <b>Cash flow from operating activities</b>   | <b>43,618</b>   | <b>(13,037)</b>  |
| Capital expenditure for property, plant and equipment and intangible assets                      | (94,985)        | (143,802)        |
| Proceeds from the sale of property, plant and equipment and intangible assets                    | 15              | 1,262            |
| Capital expenditure for financial assets   | (1,229)         | (75,037)         |
| Proceeds from the sale of financial assets   | 1,137           | 62,505           |
| <b>Cash flow from investing activities</b>   | <b>(95,062)</b> | <b>(155,072)</b> |
| Proceeds from borrowings   | 58,061          | 196,119          |
| Repayments of borrowings   | (60,798)        | (44,814)         |
| Proceeds from government grants  | 2,992           | 1,519            |
| Dividends paid   | (3,885)         | (13,986)         |
| <b>Cash flow from financing activities</b>   | <b>(3,630)</b>  | <b>138,838</b>   |
| <b>Change in cash and cash equivalents</b>   | <b>(55,074)</b> | <b>(29,271)</b>  |
| Cash and cash equivalents at beginning of the year   | 203,485         | 171,866          |
| Exchange losses on cash and cash equivalents   | (12,146)        | (943)            |
| <b>Cash and cash equivalents at end of the period</b>  | <b>136,265</b>  | <b>141,652</b>   |

# 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    |
|---|----------------|-----------------|-------------------|---|---------------------------|-----------------|
| <b>31 Mar 2016</b>  | <b>141,846</b> | <b>73,688</b>   | <b>353,402</b>    | <b>568,936</b>                                      | –                         | <b>568,936</b>  |
| Loss for the period   | –              | –               | (14,839)          | (14,839)  | –                         | (14,839)        |
| Other comprehensive income for the period                                     | –              | (8,183)         | –                 | (8,183)   | –                         | (8,183)         |
| <i>thereof currency translation differences</i>                               | –              | (8,183)         | –                 | (8,183)   | –                         | (8,183)         |
| <b>Total comprehensive income for the period</b>                              | –              | <b>(8,183)</b>  | <b>(14,839)</b>   | <b>(23,022)</b>                                     | –                         | <b>(23,022)</b> |
| Dividends paid relating to 2015/16  | –              | –               | (13,986)          | (13,986)  | –                         | (13,986)        |
| <b>30 Sep 2016</b>  | <b>141,846</b> | <b>65,505</b>   | <b>324,577</b>    | <b>531,928</b>                                      | –                         | <b>531,928</b>  |
| <b>31 Mar 2017</b>  | <b>141,846</b> | <b>81,729</b>   | <b>316,519</b>    | <b>540,094</b>                                      | –                         | <b>540,094</b>  |
| Profit for the period   | –              | –               | 15,434            | 15,434  | –                         | 15,434          |
| Other comprehensive income for the period                                     | –              | (59,081)        | –                 | (59,081)  | –                         | (59,081)        |
| <i>thereof currency translation differences</i>                               | –              | (59,032)        | –                 | (59,032)  | –                         | (59,032)        |
| <i>thereof change in available-for-sale financial assets, net of tax</i>      | –              | 15              | –                 | 15  | –                         | 15              |
| <i>thereof change in hedging instruments for cash flow hedges, net of tax</i> | –              | (64)            | –                 | (64)  | –                         | (64)            |
| <b>Total comprehensive income for the period</b>                              | –              | <b>(59,081)</b> | <b>15,434</b>     | <b>(43,647)</b>                                     | –                         | <b>(43,647)</b> |
| Dividends paid relating to 2016/17  | –              | –               | (3,885)           | (3,885)   | –                         | (3,885)         |
| <b>30 Sep 2017</b>  | <b>141,846</b> | <b>22,648</b>   | <b>328,068</b>    | <b>492,562</b>                                      | –                         | <b>492,562</b>  |

# Segment Reporting

| € in thousands  | Mobile Devices & Substrates |                      | Automotive, Industrial, Medical |                      | Others               |                      | Elimination/ Consolidation |                      | Group                |                      |
|---|-----------------------------|----------------------|---------------------------------|----------------------|----------------------|----------------------|----------------------------|----------------------|----------------------|----------------------|
|   | 01 Apr - 30 Sep 2017        | 01 Apr - 30 Sep 2016 | 01 Apr - 30 Sep 2017            | 01 Apr - 30 Sep 2016 | 01 Apr - 30 Sep 2017 | 01 Apr - 30 Sep 2016 | 01 Apr - 30 Sep 2017       | 01 Apr - 30 Sep 2016 | 01 Apr - 30 Sep 2017 | 01 Apr - 30 Sep 2016 |
| Segment revenue   | 358,911                     | 269,705              | 184,798                         | 174,353              | 5,533                | 6,902                | (63,562)                   | (64,450)             | 485,680              | 386,510              |
| Internal revenue  | (47,700)                    | (45,373)             | (12,479)                        | (14,013)             | (3,383)              | (5,064)              | 63,562                     | 64,450               | –                    | –                    |
| External revenue  | 311,212                     | 224,332              | 172,318                         | 160,340              | 2,150                | 1,838                | –                          | –                    | 485,680              | 386,510              |
| <b>Operating result before depreciation/amortisation</b>          | <b>80,300</b>               | <b>24,505</b>        | <b>22,970</b>                   | <b>23,032</b>        | <b>1,054</b>         | <b>4,581</b>         | <b>30</b>                  | <b>(3)</b>           | <b>104,354</b>       | <b>52,115</b>        |
| Depreciation/amortisation incl. appreciation                      | (58,658)                    | (49,983)             | (8,149)                         | (7,296)              | (671)                | (654)                | –                          | –                    | (67,478)             | (57,933)             |
| <b>Operating result</b>   | <b>21,642</b>               | <b>(25,478)</b>      | <b>14,821</b>                   | <b>15,736</b>        | <b>383</b>           | <b>3,927</b>         | <b>30</b>                  | <b>(3)</b>           | <b>36,876</b>        | <b>(5,818)</b>       |
| Finance costs - net   |                             |                      |                                 |                      |                      |                      |                            |                      | (5,575)              | (10,046)             |
| <b>Profit/(loss) before tax</b>                                   |                             |                      |                                 |                      |                      |                      |                            |                      | <b>31,301</b>        | <b>(15,864)</b>      |
| Income taxes  |                             |                      |                                 |                      |                      |                      |                            |                      | (15,867)             | 1,025                |
| <b>Profit/(loss) for the period</b>                               |                             |                      |                                 |                      |                      |                      |                            |                      | <b>15,434</b>        | <b>(14,839)</b>      |
| Property, plant and equipment and intangible assets <sup>1)</sup> | 770,606                     | 822,490              | 94,719                          | 98,933               | 3,462                | 3,327                | –                          | –                    | 868,787              | 924,750              |
| Additions to property, plant and equipment and intangible assets  | 57,564                      | 120,201              | 7,305                           | 12,518               | 1,059                | 515                  | –                          | –                    | 65,928               | 133,234              |

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 - 30 Sep 2017 | 01 Apr - 30 Sep 2016 |
|--------------------------|----------------------|----------------------|
| Austria                  | 10,993               | 10,411               |
| Germany                  | 92,502               | 84,404               |
| Other European countries | 27,868               | 24,936               |
| China                    | 25,846               | 27,081               |
| Other Asian countries    | 31,475               | 29,678               |
| Americas                 | 296,996              | 210,000              |
| <b>Revenue</b>           | <b>485,680</b>       | <b>386,510</b>       |

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

| € in thousands   | 30 Sep 2017    | 31 Mar 2017    |
|--|----------------|----------------|
| Austria  | 68,124         | 69,039         |
| China  | 770,554        | 822,422        |
| Others   | 30,109         | 33,289         |
| <b>Property, plant and equipment and intangible assets</b> | <b>868,787</b> | <b>924,750</b> |



# Notes to the Interim Financial Report

## GENERAL INFORMATION

**ACCOUNTING AND MEASUREMENT POLICIES** The interim report for the six months ended 30 September 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 30 September 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 half of the current financial year increased by 25.7% from € 386.5 million in the same period last year to € 485.7 million.

**GROSS PROFIT** The current gross profit of € 70.4 million was 218.6% higher than the € 22.1 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 € 36.9 million or 7.6% 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 € 9.1 million were below the prior-year level due to lower foreign exchange losses. Financial income was € 3.5 million and basically resulted from the investment of free cash and foreign exchange gains. As a consequence, net finance costs decreased by € 4.5 million in comparison to the same period of the previous year and amounted to € -5.6 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 € 0.4 million is recognised in “finance costs – net” (previous year: € 0.4 million).

**INCOME TAXES** The change of the effective tax rate on the consolidated level compared with the same period of the previous year mainly results from losses of AT&S (Chongqing) Company Limited for which, based on current estimates, no deferred taxes have been capitalised as they are not expected to be realised within the provided statutory period. Furthermore, it was 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 € -59.0 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            |                         |             |
|-----------------------|--------------|-------------|-------------|-------------------------|-------------------------|-------------|
|                       | 30 Sep 2017  | 31 Mar 2017 | Change in % | 01 Apr -<br>30 Sep 2017 | 01 Apr -<br>30 Sep 2016 | Change in % |
| Chinese yuan renminbi | 7.8400       | 7.3693      | 6.4%        | 7.6989                  | 7.3913                  | 4.2%        |
| Hong Kong dollar      | 9.2269       | 8.2997      | 11.2%       | 8.8732                  | 8.6988                  | 2.0%        |
| Indian rupee          | 77.1497      | 69.3504     | 11.2%       | 73.4205                 | 74.9276                 | (2.0%)      |
| Japanese yen          | 132.8300     | 119.4300    | 11.2%       | 126.7143                | 118.7157                | 6.7%        |
| South Korean won      | 1,350.3228   | 1,195.4117  | 13.0%       | 1,284.6158              | 1,272.8636              | 0.9%        |
| Taiwan dollar         | 35.8350      | 32.4490     | 10.4%       | 34.4269                 | 35.9118                 | (4.1%)      |
| US dollar             | 1.1812       | 1.0681      | 10.6%       | 1.1377                  | 1.1212                  | 1.5%        |

## NOTES TO THE STATEMENT OF FINANCIAL POSITION

**ASSETS AND FINANCES** Net debt, at € 435.7 million, increased versus the € 380.5 million outstanding at 31 March 2017. The increase was primarily caused by investments in the new plants in Chongqing and technological upgrades in other plants. Furthermore the net working capital of € 24.4 million as at 31 March 2017 rose to € 70.6 million mainly due to increased receivables and inventories. The net gearing ratio, at 88.5%, was above 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   | Level 1 | Level 2 | Level 3 | Total |
|--|---------|---------|---------|-------|
| 30 Sep 2017  |         |         |         |       |
| <b>Financial assets</b>                                |         |         |         |       |
| Financial assets at fair value through profit or loss: |         |         |         |       |
| – Bonds  | 771     | –       | –       | 771   |
| Available-for-sale financial assets                    | –       | 193     | –       | 193   |
| <b>Financial liabilities</b>                           |         |         |         |       |
| Derivative financial instruments                       | –       | 2,418   | –       | 2,418 |

€ in thousands

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

Export loans, government loans and other bank borrowings amounting to € 578.3 million (31 March 2017: € 590.1 million) are measured at amortised cost. The fair value of these liabilities was € 582.3 million (31 March 2017: € 595.3 million).

**OTHER FINANCIAL COMMITMENTS** At 30 September 2017 the Group had other financial commitments amounting to € 28.0 million in connection with contractually binding investment commitments, the greater part of which related to the continuing construction of the new site in Chongqing and investments in the Shanghai, 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 € 15.4 million and negative impacts from currency translation differences of € -59.0 million from € 540.1 million at 31 March 2017 to € 492.6 million.

At the 20<sup>th</sup> 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 20<sup>th</sup> 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 20<sup>th</sup> 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 23<sup>rd</sup> 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 30 September 2017, the Group held no treasury shares.

**NOTES TO THE STATEMENT OF CASH FLOWS** Cash flow from operating activities amounted to € 43.6 million compared with € -13.0 million in the same period last year. The increase is mainly due to the significantly increased consolidated operating result.

The cash flow from investing activities of € -95.1 million is below the level of € -155.1 million reached in the same period last year. Thereof capital expenditure for property, plant and equipment and intangible assets accounts for € 95.0 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 € 1.2 million, and proceeds from the sale of financial assets amount to € 1.1 million for investment and reinvestments of liquid funds. At 30 September 2017, payables for capex amount to € 34.0 million, which will become payable in the coming period.

Cash flow from financing activities amounted to € -3.6 million and is mainly attributable to the repayment of financial liabilities and the dividend payment.

In comparison to last year the disclosure of long-term provisions in the statement of cash flows has changed. In the same period last year changes in the long-term provisions were included in non-cash expense/income. In the current financial year these changes are disclosed individually. The non-cash expense/income is as follows:

| € in thousands                        | 01 Apr - 30 Sep 2017 | 01 Apr - 30 Sep 2016 |
|---------------------------------------|----------------------|----------------------|
| Release of government grants          | (1,573)              | (552)                |
| Other non-cash expense/(income), net  | 918                  | (755)                |
| <b>Non-cash expense/(income), net</b> | <b>(655)</b>         | <b>(1,307)</b>       |

## 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 € 3.89 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 - 30 Sep 2017 | 01 Apr - 30 Sep 2016 |
|---|----------------------|----------------------|
| AIC Androsch International Management Consulting GmbH | 182                  | 182                  |
| Dörflinger Management & Beteiligungs GmbH             | –                    | 4                    |
| <b>Total fees</b>                                     | <b>182</b>           | <b>186</b>           |

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

Leoben-Hinterberg, 2 November 2017

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 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, 2 November 2017

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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