

Leoben-Hinterberg, 3 June 2013

## Report of the Supervisory Board

Throughout the financial year ending on 31 March 2013, the Supervisory Board received written and oral reports from the Management Board on the company's policies and performance, and was closely involved in the Group's major issues. During the financial year 2012/13 the Supervisory Board met five times, with the participation of the Management Board. In these meetings the Management Board and the Supervisory Board discussed the state of AT&S Group's affairs in depth. As part of the Company's ongoing reporting process and at all board meetings, the Management Board also gave the Supervisory Board comprehensive reports on the Group's operating and financial position, as well as its interests in other companies, its staff situation and its planned investments. In particular, the Management Board and the Supervisory Board intensively discussed and decided on entering into the production of IC substrates and the strategy of the new plant in Chongqing, China.

Additionally, the Supervisory Board discussed new statutory requirements and engaged itself in the development of international compliance standards. The Supervisory Board satisfied itself of the existence of an effective groupwide programme of staff development and succession planning and of a well-functioning issuer compliance system.

The committees established by the Supervisory Board carried out detailed analysis of particular issues and reported their findings to the Supervisory Board. Subjects included important aspects of the accounting and reporting process, internal auditing, risk management, the internal control system and Group management controls. The Audit Committee met twice in the last financial year. On 31 May 2012 Regina Prehofer took the chair in the Audit Committee from Willibald Dörflinger. Ms Prehofer was also regularly involved in the quarterly reporting in this capacity and reported on these matters to the Audit Committee.

At the end of January Thomas Obendrauf decided, after serving two and a half years as member of the Management Board, to vacate his position as CFO and member of the Management Board due to personal reasons in agreement with the Supervisory Board and the other members of the Management Board effective from the end of the current fiscal year 2012/2013 and to leave the company.

The Supervisory Board acknowledged this step with regrets, but of course accepts this personal decision. The Nomination Committee of the Supervisory Board has agreed with the Management Board that during the transition period CEO Andreas Gerstenmayer takes over the responsibilities of the CFO until the appointment of a new CFO. The Nomination Committee has immediately engaged in planning the succession of the CFO and has already mandated a well-known head-hunter with the search of a proper candidate.

In 2012/13 the Supervisory Board again carried out its annual self-evaluation in order to ensure the continuous improvement of its operations as well as the fulfilment of its responsibilities to the shareholders and other stakeholders. Its findings confirmed the effectiveness of its organisation and procedures. Self-evaluation will continue to constitute an important component of the Supervisory Board's critical review of its own activities.

The annual financial statements of AT & S Austria Technologie & Systemtechnik Aktiengesellschaft and the consolidated financial statements for the year ending 31 March 2013 were both audited by PwC Wirtschaftsprüfung GmbH, Vienna, and were awarded an unqualified audit certificate. The management report and the Group management report for the financial year 2012/13 were consistent with the annual financial statements and the consolidated financial statements. Based on the prior discussions of the Audit Committee, and after its own detailed discussions and examination, the Supervisory Board approved the annual financial statements for the year ending 31 March 2013 in accordance with section 96(4) AktG. Based on the prior discussions of the Audit Committee, and after its own detailed consideration and examination, it also approved the consolidated financial statements drawn up in accordance with section 245a Austrian Business Code (UGB) and with IFRS, as well as the management report, the consolidated management report and the corporate governance report. The Supervisory Board review did not give rise to any objections.

The Supervisory Board adopted the Management Board's recommendation for the allocation of profits: the retained earnings as of 31 March 2013 are to be distributed in payment of a dividend of EUR 0.20 per share, and the remaining amount is to be carried forward

The Supervisory Board thanks the Management Board and all the Group's employees for their hard work and dedication during the financial year 2012/13.

On behalf of the Supervisory Board

Hannes Androsch  
Chairman of the Supervisory Board