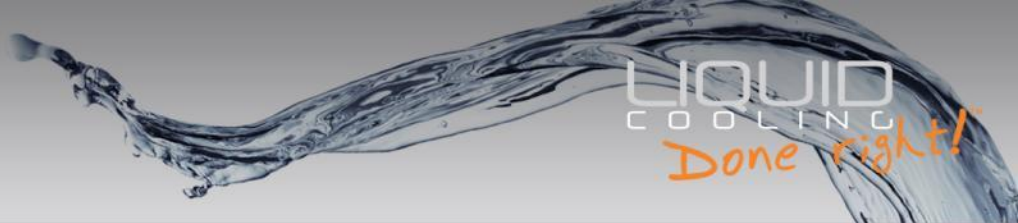




ASETTEK

Fourth quarter 2013

25 February, San Jose, California, USA



Presentation by:



CEO & Founder

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Key figures

USD (000's)	Q4 2013	Q4 2012
Revenue	6 112	4 214
<i>Revenue, desktop</i>	5 509	4 214
<i>Revenue, datacenter</i>	603	-
Gross profit	2 425	1 419
Gross margin %	39.7%	33.7%
EBITDA	(1 800)	(1 912)
Operating profit (loss)	(2 353)	(2 467)
Net income (loss)	(1 933)	(4 479)
Purchases of property and equipment	482	11
<u>Units shipped (1 000)</u>	116	99

Fourth quarter highlights

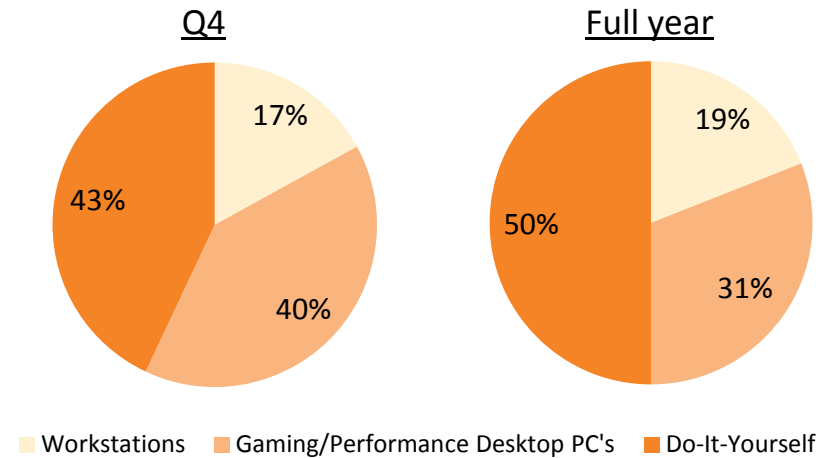
- Revenues \$6.1 million
 - Increase of 45% over Q4 2012
 - Gross margin 40%
- Operating loss \$2.4 million
 - Including \$0.5 million non cash equity based compensation
 - Reflecting continued investments in the data center segment
- Shipped 116,000 liquid cooling units

- I. **Operational review**
- II. Financial review
- III. Summary and outlook
- IV. Q&A Session

Operational highlights

- Desktop revenues up 30% from Q4 12
- Strong quarter for the Gaming/Performance Desktop PC business
 - Growth mainly driven by deferred order received in Q3
- Growth in the DIY market driven by strong demand for liquid coolers released in 2H 2013
- Continuous growth in the Workstation market

Revenue split 2013



Operational highlights

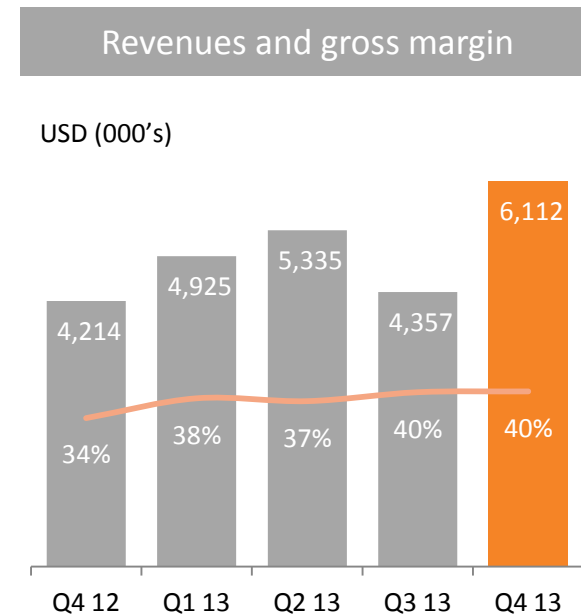
- Secured second commercial order of RackCDU™
 - 5 racks with 385 compute nodes to be installed at Japanese university by CRAY Inc.
- Validation of claim for 50% and higher cooling costs reduction with RackCDU™ D2C™ products by Lawrence Berkeley National Labs (LBNL)
- Shipping with HP 3PO program expected to start 1H 2014
- Johnson Controls certified to provide sales, integration and installation services on RackCDU for U.S. government agencies
- RackCDU™ In-Server Air Conditioning (ISAC™) patent granted in the U.S.



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Income Statement

USD (000's)	FY 2013	FY 2012
Revenue	20 729	18 681
Gross Profit	8 049	6 788
<i>Gross margin</i>	39%	36%
Total operating expenses	15 808	11 660
Operating Income	(7 759)	(4 872)
Financial Income (expense)	1 035	(3 686)
Income for the period	(6 724)	(8 558)
Foreign currency translation adjustments & tax	495	67
Total comprehensive income	(6 229)	(8 491)

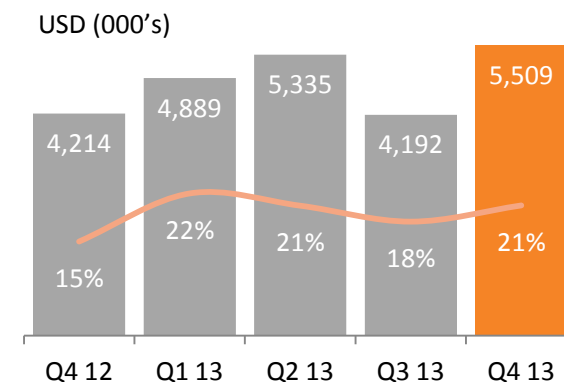


- Revenues for 2013 up 11% from last year
- Strong gross margins at 39% up 3 points from last year
- Operating expenses up \$4 million from last year. Largely due to litigation and increased investments in the data center business

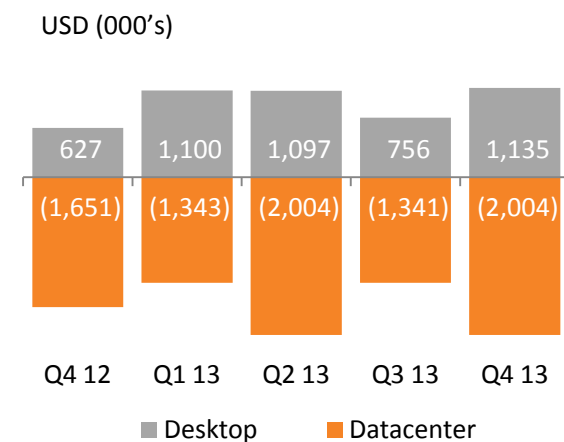
Income Statement – segment breakdown

USD (000's)	FY 2013		FY 2012	
	Desktop	Datacenter	Desktop	Datacenter
Revenue	19 925	804	18 681	-
Cost of sales	11 781	639	11 748	-
Gross Profit	8 144	165	6 933	-
<i>Gross Margin</i>	40.9%	20.5%	37.1%	N/A
Other operating expenses	4 636	8 405	4 146	4 663
Capitalized expenses	- 580	-1 548	- 937	-
EBITDA	4 088	(6 692)	3 724	(4 663)
<i>EBITDA margin</i>	20.5%	-832.3%	19.9%	N/A
Depreciations	1 559	471	2 016	-
EBIT, by segment	2 529	(7 163)	1 708	(4 663)
<i>EBIT Margin</i>	12.7%	-890.9%	9.1%	N/A
Headquarters costs	3 124		1 917	
EBIT, total	(7 759)		(4 872)	

Desktop revenue and EBITDA margin



EBITDA development



Cash Flow Statement

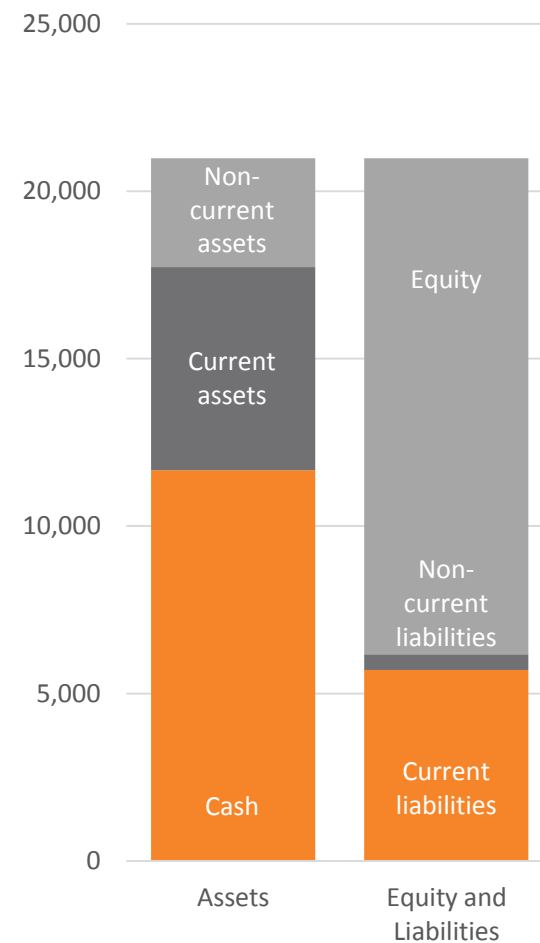


USD (000's)	Q4 2013	Q4 2012	FY 2013	FY 2012
Income (loss) for the period	(1 933)	(4 479)	(6 281)	(8 558)
Depreciation, amortization and impairment	615	513	2 092	2 126
Finance cost (income) and taxes	(198)	2 006	(1 256)	3 684
Share based compensation	486	35	593	140
Changes in current assets other than cash	(1 784)	(541)	(1 109)	(2 070)
Changes in payables and accrued liabilities	1 421	315	1 406	1 045
Net cash used in operating activities	(1 393)	(2 151)	(4 555)	(3 633)
Additions to intangible assets	(387)	(227)	(2 128)	(1 165)
Purchase of property and equipment & other assets	(473)	(10)	(945)	(88)
Net cash used in investing activities	(860)	(237)	(3 073)	(1 253)
Proceeds from debt issuance, other LT liabilities	-	3,000	234	3 306
Cash flows on credit lines/debt/lease	170	(603)	(4 067)	(357)
Proceeds from issuance of capital / conv debt	-	-	21,694	369
Net cash provided by financing activities	170	2 397	17 861	3 318
Effect of exchange rate changes on cash	465	88	182	148
Net changes in cash and cash equivalents	(1 618)	97	10 415	(1 420)
Cash and cash equivalents at beginning of period	13 281	1 151	1 248	2 668
Cash and cash equivalents at end of period	11 663	1 248	11 663	1 248

Balance sheet

USD (000's)	Q4 2013	Q4 2012
Intangible Assets - Development Projects & Other Assets	2 153	1 448
Plant, Property and Equipment	1 096	440
Total non-current assets	3 249	1 888
Inventories	1 074	1 055
Receivables	4 997	3 971
Cash and equivalents	11 663	1 248
Total current assets	17 734	6 274
Total assets	20 983	8 162
Total equity	14 808	(40 642)
Total non-current liabilities	475	7 451
Preferred convertible shares	-	37 122
Accrued liabilities	2 217	2 241
Trade payables	3 483	1 990
Total current liabilities	5 700	41 353
Total liabilities	6 175	48 804
Total equity and liabilities	20 983	8 162

Balance sheet composition – Q42013



- I. Operational review
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Summary and outlook

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COOLING
Done right!

Desktop

- Continued growth in all three markets
 - Deferred shipment of large order from Q3 affected Q4 positively
- Total 2013 revenue came in at \$20.7 million (11% growth) slightly above projected and communicated levels.
- Q1 14 revenue expected to decrease from record level in Q4 13
 - Gross margins expected to be in line with Q4

Datacenter

- Increased investments in Q4
- Recognition of commercial revenue, as expected
- Validation of cooling costs reduction claim by Cisco and Intel supported study from Lawrence Berkeley National Labs
- Received order for RackCDU products for pilot test in quantitative investing and trading industry leader
- Expecting additional purchase orders from major Federal Laboratories and Academic High Performance Computing Centers in the first quarter of 2014
- Expecting to enter into paid R&D project with Tier 1 OEM
- Anticipating further OEM adoption in 2014

Q&A

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Appendix

Income statement

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Figures in USD (000's)	Q4 2013	Q4 2012	2013	2012
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	
Revenue	\$ 6,112	\$ 4,214	\$ 20,729	\$ 18,681
Cost of sales	3,687	2,795	12,680	11,893
Gross profit	2,425	1,419	8,049	6,788
Research and development	1,341	1,104	4,492	3,717
Selling, general and administrative	3,393	2,687	11,236	7,878
Foreign exchange loss (gain)	44	95	80	65
Total operating expenses	4,778	3,886	15,808	11,660
Operating income	(2,353)	(2,467)	(7,759)	(4,872)
Finance income	-	-	1,865	-
Finance costs	(23)	(2,017)	(830)	(3,693)
Total financial income (expenses)	(23)	(2,017)	1,035	(3,693)
Income before tax	(2,376)	(4,484)	(6,724)	(8,565)
Income tax benefit	443	5	443	7
Income for the period	(1,933)	(4,479)	(6,281)	(8,558)
<i>Other comprehensive income items that may be reclassified to profit or loss in subsequent periods:</i>				
Foreign currency translation adjustments	29	53	52	67
Total comprehensive income	\$ (1,904)	\$ (4,426)	\$ (6,229)	\$ (8,491)
Income per share (in USD):				
Basic	\$ (0.14)	\$ (0.33)	\$ (0.46)	\$ (0.62)
Diluted	\$ (0.14)	\$ (0.33)	\$ (0.46)	\$ (0.62)

Balance Sheet

LIQUID
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Figures in USD (000's)	31 Dec 2013	30 Sep 2013	30 Jun 2013	31 Mar 2013	31 Dec 2012
	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	<i>Unaudited</i>	
ASSETS					
<i>Non-current assets</i>					
Intangible assets	\$ 1,823	\$ 1,638	\$ 1,454	\$ 1,428	\$ 1,448
Property and equipment	1,096	690	489	367	440
Other assets	330	323	-	-	-
Total non-current assets	3,249	2,651	1,943	1,795	1,888
<i>Current assets</i>					
Inventory	1,074	963	938	1,019	1,055
Trade receivables and other	4,997	3,455	3,616	4,203	3,971
Cash and cash equivalents	11,663	13,281	15,073	19,929	1,248
Total current assets	17,734	17,699	19,627	25,151	6,274
Total assets	\$ 20,983	\$ 20,350	\$ 21,570	\$ 26,946	\$ 8,162
EQUITY AND LIABILITIES					
<i>Equity</i>					
Share capital	\$ 264	\$ 239	\$ 239	\$ 239	\$ 2
Share premium	64,357	64,644	64,608	64,577	3,519
Accumulated deficit	(49,490)	(48,566)	(46,785)	(44,398)	(43,802)
Translation and other reserves	(323)	(338)	(425)	(493)	(361)
Total equity	14,808	15,979	17,637	19,925	(40,642)
<i>Non-current liabilities</i>					
Long-term debt	243	-	4	5	7,451
Other long-term liabilities	232	228	-	-	-
Total non-current liabilities	475	228	4	5	7,451
<i>Current liabilities</i>					
Redeemable preferred shares	-	-	-	-	29,510
Convertible option on preferred shares	-	-	-	-	7,612
Short-term debt	420	412	253	527	314
Accrued liabilities	802	701	446	3,113	1,393
Accrued compensation & employee benefits	995	592	540	506	534
Trade payables	3,483	2,438	2,690	2,870	1,990
Total current liabilities	5,700	4,143	3,929	7,016	41,353
Total liabilities	6,175	4,371	3,933	7,021	48,804
Total equity and liabilities	\$ 20,983	\$ 20,350	\$ 21,570	\$ 26,946	\$ 8,162

Figures in USD (000's)	2013	2012
	<i>Unaudited</i>	
Cash flows from operating activities		
Income (loss) for the period	\$ (6 281)	\$ (8 558)
Depreciation and amortization	2 030	2 052
Finance costs (income)	(1 035)	3 693
Income tax expense (income)	(443)	(7)
Impairment of intangible assets	62	74
Cash receipt (payment) for income tax	222	(2)
Share based payments expense	593	140
Changes in trade receivables, inventories, other assets	(1 109)	(2 070)
Changes in trade payables and accrued liabilities	1 406	1 045
Net cash used in operating activities	(4 555)	(3 633)
Cash flows from investing activities		
Additions to intangible assets	(2 128)	(1 165)
Addition to other assets	(314)	-
Purchase of property and equipment	(631)	(88)
Net cash used in investing activities	(3 073)	(1 253)
Cash flows from financing activities		
Proceeds from debt issuance	-	3 000
Long-term deposit received from sub-lessee	234	-
Cash payments on long-term debt	(3 621)	-
Funds drawn (paid) against line of credit	57	306
Cash payments for interest on debt	(461)	(322)
Proceeds from issuance of share capital	25 099	3
Cash paid for fees related to IPO	(3 405)	-
Proceeds from issuance of convertible preferred shares	-	366
Principal and interest payments on finance leases	(42)	(35)
Net cash provided by financing activities	17 861	3 318
Effect of exchange rate changes on cash and cash equivalents	182	148
Net changes in cash and cash equivalents	10 415	(1 420)
Cash and cash equivalents at beginning of period	1 248	2 668
Cash and cash equivalents at end of period	\$ 11 663	\$ 1 248