



Asetek – Q2 2017: Revenue Growth Driven by Gaming PC Cooling Demand

- Quarterly revenue growth of 33% driven by high-end gaming PC cooling demand
- Increased end-user adoption through new and repeat order from data center OEM partners
- New desktop DIY design wins
- Successful patent defense award
- Paid NOK 1 per share dividend in May
- Raised full-year 2017 revenue guidance for desktop segment

Asetek reported revenue of \$11.1 million in the second quarter of 2017, an increase of 33% from the second quarter of 2016 on higher desktop revenue driven by shipments in the DIY and Gaming Performance/ Desktop PC markets. Growth in the quarter also reflects an increase in shipment of data center products to OEMs. Revenue for the six months ending 30 June was \$22.6 million, an increase of 21% from the same period of 2016.

“Q2 was another good quarter for Asetek. The demand for our efficient liquid cooling solutions for data centers, servers and PCs continues to grow. For 2017, we expect a decent growth within our desktop segment, especially due to high-end gaming customers. And we expect significant growth within our data center segment on the back of continued progress with OEM partners and increasing end-user adoption with technology deployed to new high performance (HPC) installations. Our job now is to make sure the positive development continues,” said André Sloth Eriksen, CEO and Founder.

EBITDA adjusted for share based compensation expense was \$1.1 million in the second quarter of 2017, compared with EBITDA adjusted of \$0.3 million in the second quarter of 2016. First-half 2017 EBITDA adjusted was \$1.8 million, compared to \$1.6 million for the first half of 2016.

Desktop revenue was \$10.1 million in the second quarter, an increase of 34% from the same period of 2016. Operating profit from the desktop segment was \$2.8 million, an increase from \$2.2 million in the same period last year due to an increase in DIY and Gaming Performance/Desktop PC sales.

Data center revenue was \$1.0 million, an increase from \$0.8 million in the prior year due to an increase in shipments to OEM customers, partly offset by a decline in shipments under government contracts. Revenue variability is expected to continue while the Company secures new OEM partners and growth of end-user adoption through existing OEM partners.

Asetek continued to invest in its data center business and the segment operating loss was \$1.6 million for the second quarter, compared with \$1.3 million in the same period of 2016. Expenditures relate to technology development, manufacturing, and sales development with data center partners and OEM customers.

Through new and repeat orders received from data center OEM partners in the first half of 2017, Asetek is increasing its end-user adoption with technology deployed to new HPC installations. In the second quarter, this included orders of RackCDU D2C™ (Direct-to-Chip) liquid cooling from Fujitsu and Penguin Computing.

Due to continued positive development within the desktop segment, Asetek increases its full year 2017 desktop revenue guidance from single digit growth to growth between 10% and 20% compared with 2016. The outlook for the data center business is reaffirmed, with significant revenue growth expected compared with 2016.

Webcast and conference call at 8:30 AM CEST today 16 August 2017

Asetek will release its financial results for the second quarter 2017 on Wednesday, 16 August at 7:00 AM CEST.

This is followed by a presentation by CEO André Sloth Eriksen and CFO Peter Dam Madsen at 8:30 AM CEST. Asetek invites investors, analysts and media to join the presentation.

The presentation is expected to last one hour, including Q&A, and can be followed through live webcast or by conference call.

Conference call – audio only:

Please dial in 5-10 minutes prior using the phone numbers and confirmation code below:

| | |
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Webcast – audio and slide presentation:

Please join the second quarter 2017 results webcast by [clicking here](#).

The Second Quarter 2017 Report and presentation will also be made available on www.asetek.com and www.newsweb.no, as well as through news agencies. A recorded version of the presentation will be made available on www.asetek.com approximately two hours after the broadcast has concluded. Asetek's press room is available on www.asetek.com/press-room/news/

For questions or further information, please contact:

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About Asetek:

Asetek is the global leader in liquid cooling solutions for data centers, servers and PCs. Founded in 2000, Asetek is headquartered in Denmark and has operations in California, Texas, China and Taiwan. Asetek is listed on the Oslo Stock Exchange (ASETEK.OL).