



ASETEK – Q4 2015: Growth, profitability and emerging data center business

February 24, 2016

- **Third straight quarter of record-level revenue driven by DIY desktop product sales**
- **Full year 2015 revenue of \$36 million, up 73% versus 2014**
- **Positive net income and group EBITDA in the fourth quarter**
- **Positive outlook: Expecting modest growth within desktop segment and significant growth within data center segment in 2016**

Asetek reported total revenue of \$12.5 million in the fourth quarter of 2015, reflecting growth of 173% over the same period of 2014 (\$4.6 million). Total revenue in 2015 was \$36.0 million, an increase of 73% over 2014 (\$20.8 million). The increases reflect growth in shipments of the desktop segment's do-it-yourself ("DIY") products.

Gross margin was 35.9% for the fourth quarter of 2015, a decrease from 39.8% in the same period last year. Gross margin for the full year 2015 decreased to 34.5% from 41.8% in 2014. The decreases in gross margin in both periods reflect the increase in shipment of lower margin DIY products.

Operating profit in the fourth quarter 2015 amounted to \$1.8 million (loss of \$3.4 million). For the full year 2015 Asetek reduced its operating loss to \$2.3 million (loss of \$9.5 million). The results improvements compared with the previous periods stem from profitable growth within Asetek's desktop segment and a data center segment that is starting to generate income based on the investments made during the last years.

The revenue growth within the desktop segment in 2015, up 77% versus 2014, was driven by strong demand for certain products, but also by an extraordinary set of circumstances including lawsuit settlements, which cannot be expected to replicate in 2016. Hence, the desktop business is expected to grow modestly in 2016 from a record level in 2015. Within the emerging data center segment, the company anticipates significant revenue growth in 2016 compared with 2015. Revenue and operating results are expected to fluctuate however, as partnerships with large original equipment manufacturers (OEMs) are developed.

"2015 was marked by solid progress. We deliver strong, profitable growth within our desktop business, our market position was solidified by IP wins and our data center solutions are gaining traction with new customers around the world. But we still have much to achieve before we tap our full potential. Moving further into 2016, we focus on continued growth within the desktop segment and ensuring that OEMs increase the adoption of our compelling liquid cooling solution for data centers" says Andre S. Eriksen, Chief Executive Officer.

Asetek will provide a more in-depth description of its strategy and business outlook at its capital markets update to be held on February 29, 2016. See more information below.

Fourth quarter report

The fourth quarter report is attached to this release and available from the company's website www.asetek.com.

Capital Markets Update Monday 29 February 10:00-12:00 CET in Oslo

Asetek will present the results, its strategy and business outlook to the capital market Monday 29 February 2016 when the company hosts a Capital Markets Update in Oslo Norway. Investors, analysts and others are invited to the event, hosted by Asetek's CEO André Eriksen, CFO Peter Dam Madsen and VP Worldwide sales John Hamill.

Agenda:

- 09:45 Registration
- 10:00 Presentations and Q&A sessions
- 11:50 Wrap-up
- 12:00 Informal get together with Asetek management

Location:

Felix Conference Centre, Bryggetorget 3, 0250 Oslo, Norway

Registration:

In order to ensure adequate capacity at the conference centre, please register to Asetek Investor Relations investor.relations@asetek.com and provide your name, company, contact information and any comments you may have regarding the event.

Webcast:

The Capital Markets Update event will also be webcast live. Presentations will be available for download before the event begins. Further details may be found under the investor relations section of Asetek's website: <http://www.asetek.com/investor-relations/>.

About Asetek

Asetek is the world leading provider of energy efficient liquid cooling systems for data centers, servers, workstations, gaming and high performance PCs. Its products are used for reducing power and greenhouse emissions, lowering acoustic noise, and achieving maximum performance by leading OEMs and channel partners around the globe. Asetek's products are based upon its patented all-in-one liquid cooling technology with more than 2.8 million liquid cooling units deployed in the field. Founded in 2000, Asetek is headquartered in Denmark with offices in California, China and Taiwan. For more information, visit <http://www.asetek.com>.

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