Asetek A/S

Quarterly Report

Three months ended March 31, 2013

Published May 24, 2013

Highlights

- Asetek continued its mission as the leading supplier of liquid cooling solutions for high-end computing. The company shipped 122,000 units of its patented sealed liquid cooling units in the first quarter of 2013. Since its launch in 2008 total shipments of this type of product have now exceeded 1.4 million units.
- During the quarter, Asetek invoiced its first OEM shipments of datacenter liquid cooling. The RackCDU™ cooling system was also chosen for a pilot installation by the University of Tromsø in Norway.
- Total revenues from the desktop segment amounted to $4.9 million in the first quarter of 2013. The datacenter revenues amounted to $36 thousand.
- Operating profits from the desktop segment amounted to $1.1 million this quarter compared to profits of $1.2 million in the first quarter of 2012. The operating losses from the datacenter segment amounted to $1.3 million, compared to losses of $0.7 million in the first quarter of 2012. The operational losses from the datacenter segment reflect continued investment in the development of the datacenter product line.
- The company completed a successful initial public offering of its common shares on the Oslo Stock Exchange in March 2013, raising over $21 million of net proceeds through the issuance of 4 million common shares.

Key figures

Figures in USD (000's)	Q1 2013	Q1 2012	2012
	Unaudited	*Unaudited*	
Total Revenue	**4,925**	4,876	18,681
Desktop revenue	***4,889***	*4,876*	*18,681*
Datacenter revenue	***36***	-	-
Gross profit	**1,878**	1,868	6,788
Desktop gross profit	***1,862***	*1,868*	*6,788*
Datacenter gross profit	***16***	-	-
Gross margin	**38.1%**	38.3%	36.3%
Desktop gross margin (adjusted)*	***39.0%***	***39.0%***	***37.1%***
Datacenter gross margin (adjusted)*	***44.4%***	-	-
EBITDA (unaudited)	**(950)**	215	(2,820)
Desktop EBITDA	***1,100***	*1,206*	*3,724*
Datacenter EBITDA	***(1,343)***	*(727)*	*(4,663)*
*Headquarters costs***	***(707)***	*(264)*	*(1,881)*
Operating profit (loss)	**(1,498)**	(224)	(4,872)
Total comprehensive income (loss)	**(312)**	(707)	(8,491)
Purchases of property and equipment	**17**	44	88
Units shipped (000's)	**122**	107	414

**Adjusted gross margins are computed excluding depreciation costs that are normally classifed as cost of goods sold.*
***Headquarters costs include intellectual property defense, financing and headquarters administration costs*

Financial review

The figures below relate to the consolidated accounts for the first quarter 2013, which comprise activities within the two segments Desktop and Datacenter. The quarterly figures are unaudited.

Income statement (consolidated)

In the first quarter of 2013, Asetek reported revenues of $4.9 million, level with revenues in the same period of 2012.

Sales unit volumes increased by 14% from the same period of 2012, due principally to sales growth to the company's top do-it-yourself (DIY) channel partners. Average selling prices declined 12% from the first quarter of 2012 due to changes in product mix. The change in product mix did not negatively impact gross margins, as average cost prices were reduced in conjunction with the changes in product mix.

Gross margin was 38% for the first quarter of 2013, which was stable compared to the first quarter of last year and an improvement of four percentage-points from the fourth quarter of 2012. It should be noted that gross margin in the fourth quarter of 2012 was negatively affected by a one-time competitive price offering.

In the first quarter of 2013, activities associated with reorganization and the company's initial public offering (IPO) resulted in increased legal and administrative costs compared with the same period of 2012. In addition, Asetek incurred increased legal costs related to intellectual property protection. Including these expenses, Asetek incurred an operating loss of $1.5 million in the first quarter of 2013, compared with operating loss of $0.2 million in the same period of 2012. However, the operating loss was significantly reduced compared to the $2.5 million reported for the fourth quarter of 2012.

Financial income in the first quarter of 2013 increased from the same period in 2012, due to gains associated with the valuation of outstanding debt instruments that converted to equity at the time of the IPO.

Based on the initial trading price of the common shares, the company recognized $0.8 million income on the convertible option on preferred shares and $0.7 million income on the convertible loan upon revaluation. In the first quarter of 2012, the revaluation of preferred shares resulted in finance costs of $0.5 million.

Segment breakdown

Starting from January 2013, the company will report on two distinct segments; the **Desktop** segment and the **Datacenter** segment.

The two segments are identified by their specific sets of products and specific sets of customers. The splitting of operating expenses between segments is based on the company's best judgment, and done by using the company's employee/project time tracking system and project codes from the accounting system. Expenses that are not divisible by nature (rent, telecommunication expenses, etc.) have been split according to actual time spent on the two businesses, and the company's best estimate for attribution.

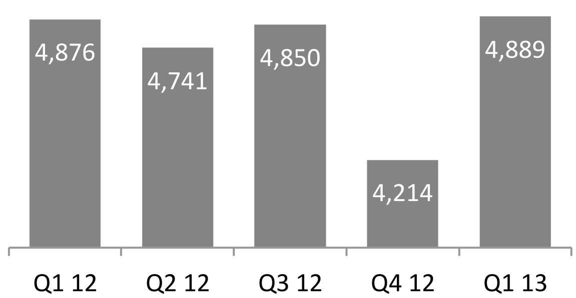
Unaudited breakdown of the income statement

Figures in USD (000's)	Desktop			Datacenter		
	Q1 2013	Q1 2012	FY 2012	**Q1 2013**	Q1 2012	FY 2012
Revenues	**4,889**	4,876	18,681	**36**	-	-
Cost of sales	**2,983**	2,972	11,748	**20**	-	-
Gross Profit, adjusted	**1,906**	1,904	6,933	**16**	-	-
Gross Margin, adjusted	**39.0%**	39.0%	37.1%	**44.4%**	N/A	N/A
Total operating expenses**	**806**	698	3,209	**1,359**	727	4,663
EBITDA, adjusted	**1,100**	1,206	3,724	**(1,343)**	(727)	(4,663)
EBITDA margin	**22.5%**	24.7%	19.9%	**N/A**	N/A	N/A

**Operating expenses by segment exclude headquarters costs of $0.7 million, $0.3 million and $1.9 million, for Q1 2013, Q1 2012 and FY 2012, respectively. Headquarters costs include financing related costs ($0.1 million and $0.4 million, for the same periods, respectively) and intellectual property defense ($0.3 million in Q1 2013 and $0.4 million in FY 2012). These costs were not significant in Q1 2012.

Desktop revenue development

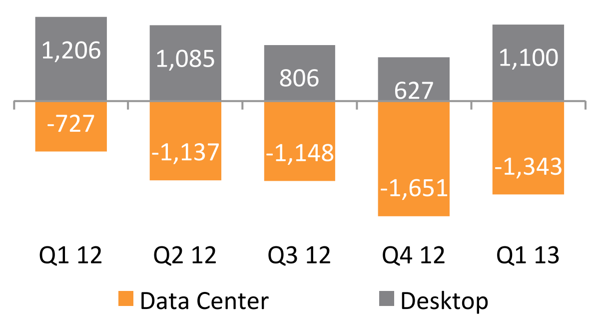
USD (000's)



Asetek's revenue in the first quarter of 2013 was in line with the comparable quarter of 2012 and significantly above the fourth quarter of 2012.

EBITDA development

USD (000's)



Asetek increased its investments in the Datacenter market around mid-2012, representing principally technology and prototype development, tradeshow promotion and product marketing.

Balance Sheet

Asetek's total assets at the end of March 2013 amounted to $26.9 million, an increase of $18.8 million from December 31, 2012. The principal change in assets related to the company's IPO, which raised $21.4 million in net proceeds. During the quarter, the company used $3.4 million of the proceeds to pay off a note payable and line of credit.

All of the company's preferred shares outstanding, carried at approximately $37.1 million at December 31, 2012, converted to common shares at the IPO in March 2013.

The company also had $4.4 million carrying value of convertible debt at December 31, 2012. $3.1 million converted to common shares and $0.1 million was repaid in March, whereas $0.5 million was accounted for as short-term debt per March 31, 2013 and paid in April 2013. The remaining $0.7 million was recognized as a gain at the IPO date, based on the initial trading price of the common shares.

As a result of the above transactions, total liabilities decreased from $48.8 million at December 31, 2012, to $7.0 million at March 31, 2013. Approximately

$2.8 million of offering fees associated with the company's IPO were included in accrued liabilities at March 31, 2013, and subsequently paid in April 2013.

Cash Flow

Net cash used by operating activities was ($1.1) million in the first quarter of 2013, compared with ($1.7) million in the first quarter of 2012. The change was mainly attributed to an increase in accounts receivable of $1.7 million in the first quarter of 2012 that did not recur in the same magnitude in 2013.

Cash used by investing activities was ($0.5) million, related principally to additions in capitalized development costs.

Cash provided by financing activities was $20.4 million in the first quarter of 2013, compared with ($0.3) million used by financing activities in the same period of 2012. The change reflects $24.8 million of gross proceeds raised in the company's successful IPO in the first quarter of 2013, offset by payment of $3.9 million of outstanding debt with interest and $0.6 million of fees associated with the IPO. As of March 31, 2013, there was approximately $2.8 million of IPO fees remaining in accrued liabilities.

Net change in cash and cash equivalents was $18.7 million in the first quarter of 2013, compared with ($2.4) million in the same period of 2012.

Operational review and market update

Desktop

By the end of March 2013, Asetek had sold over 1.4 million of its patented integrated sealed liquid cooling units to desktop customers worldwide.

During the first quarter of 2013, Asetek's customer Corsair launched the Hydro Series H90 and H110 low-noise, high-performance liquid CPU coolers, which are the highest performing of products currently made by Asetek. After this successful product launch, Corsair is once again Asetek's largest DIY channel customer. DIY products are typically sold to computer enthusiasts at traditional retail stores or through online retailers.

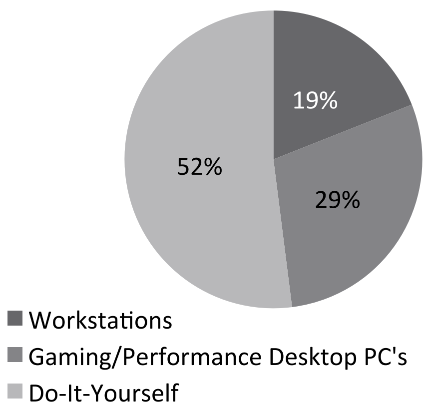
Also during the first quarter of 2013, Asetek successfully launched a new product with Dell. This new products has a higher average sales price than the previous product, generating potential uplift in both revenue and margins.

Asetek continued to build and protect the company's IP portfolio and filed two new patents for technologies used for both desktop PCs and datacenter servers during the first quarter 2013.

Asetek's revenue distribution for the first quarter 2013 is broadly in line with the distribution in 2012.

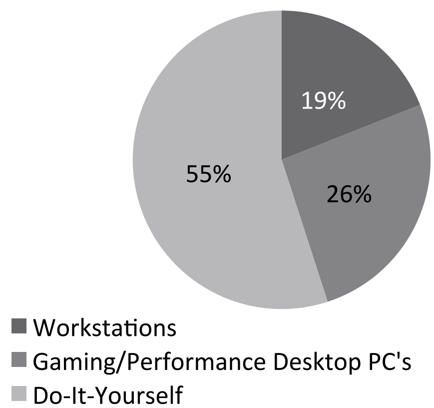
Revenue split, Q1-2013

Percent



Revenue split, FY-2012

Percent



Datacenter

In the first quarter of 2013, Asetek has continued and increased its product and market development efforts, which has led to several noteworthy accomplishments in both first and second quarter of 2013.

On February 25th, Asetek announced the design-in and pilot installment of its liquid cooling RackCDU™ at the High Performance Computing facilities at the University of Tromsø, Norway. Asetek will reduce energy consumption and enable recycling of the waste heat from the super computer to heat the university campus.

During the first quarter of 2013 Asetek shipped its first RackCDU™ products to Cray Inc.

Also in the first quarter, Asetek completed and invoiced a Non Recurring Engineering (NRE) development project for a tier-1 server OEM.

On February 12th, Asetek announced that the U.S. Department of Defense has selected the company's Inside Server Air Conditioning (ISAC™) product to participate in the Departments' TROPEC program. This program is aiming at game-changing energy efficiency applications for military forward operations.

During the first quarter of 2013, Asetek has continued to develop and build its infrastructure related to manufacturing and delivery of Datacenter products and services. Also, a demonstration facility was inaugurated at Asetek's San Jose office.

Asetek's previously announced design win with the U.S. Department of Defense (DoD) has progressed well and Redstone Arsenal datacenter has been selected as installation site. Asetek believes there will be significant growth opportunities within the next five years at the Redstone Arsenal datacenter as well as potentially catalyzing replication opportunities within other DoD datacenters.

The Redstone Arsenal installation will be a total of 250kW of IT load consisting of both new servers as well as a retrofit of existing servers. Initial installation and revenue recognition is scheduled to begin in third quarter 2013 with full and complete installation in second quarter 2014.

Risk Factors

Asetek – and in particular its efforts in the datacenter market – is somewhat dependent on the release of new products from server OEM customers to facilitate its trial system deployments. The sales rate in the desktop segment is to some extent dependent on the popularity and new releases of end user products by Asetek's customers.

For a more thorough discussion of risk factors, we refer to the prospectus issued in connection with the initial public offering in March 2013. The document can be downloaded from the company's website.

Outlook

Desktop

Asetek expects its revenue to increase from the first to the second quarter of 2013, in support of the company's goal of a 10% increase in Desktop revenues for the year 2013.

Two major DIY customers are expected to launch a total of four refreshed products in the near future.

Gross margins are expected to be in line with the levels experienced for the first quarter of 2013.

In May Asetek announced that HP has expanded the availability of Asetek liquid cooling to their single processor Z820 workstations. The design win is expected to translate into an 8-10% increase in Asetek's desktop workstation segment business and is a key element in the company's goal to increase its overall desktop segment revenue by 10% in 2013.

Datacenter

During the month of April and May, Asetek installed and initiated testing on RackCDU™ systems with two projects at the U.S. Department of Energy National Laboratories; National Renewable Energy Laboratory (NREL) and Lawrence Berkeley National Laboratory (LBNL).

At NREL Asetek did a retrofit of their Skynet HPC cluster. NREL's data center is designed to be the most energy efficient data center in the world, with a PUE (Power Usage Effectiveness) of 1.06.

At LBNL and in partnership with Cisco, Asetek installed a full rack of servers. The goals are to obtain a high credibility 3rd-party validation of energy-savings, reliability and usability of Asetek's RackCDU as well as one or more 3rd-party technical white papers (expected in the third quarter 2013).

It is expected that Asetek's RackCDU™ systems will be installed and testing initiated with a major European telecommunications provider and leading server OEM during the second quarter.

A number of RackCDU™ systems are currently being evaluated at two ultra-scale internet companies.

Asetek is continuing its design-in efforts with major server OEMs in the U.S. and Europe.

After the end of the first quarter 2013 Asetek was named one of the world's top 40 most innovative companies of 2012 by The New Economy magazine (i40). The i40 identified Asetek as a company that will help to shape the future of business and technology in emerging and developed markets around the globe.

In May Asetek announced that the company was named finalist in 2013 American Business Awards℠ (Stevie Awards) for the RackCDU™. The Stevie Awards is the U.S.'s premier business awards program.

Interim Financial Statements

Consolidated Statement of Comprehensive Income

Figures in USD (000's)	Q1 2013	Q1 2012	2012
	Unaudited	*Unaudited*	
Revenue	**$ 4,925**	$ 4,876	$ 18,681
Cost of sales	**3,047**	3,008	11,893
Gross profit	**1,878**	1,868	6,788
Research and development	**996**	736	3,717
Selling, general and administrative	**2,369**	1,328	7,878
Foreign exchange gain (loss)	**11**	28	(65)
Total operating expenses	**3,376**	2,092	11,660
Operating (loss)	**(1,498)**	(224)	(4,872)
Finance income	**1,550**	-	-
Finance costs	**(232)**	(536)	(3,693)
Total financial income (expenses)	**1,318**	(536)	(3,693)
Loss before tax	**(180)**	(760)	(8,565)
Income tax	**-**	2	7
Loss for the period	**(180)**	(758)	(8,558)
Foreign currency translation adjustments	**(132)**	51	67
Total comprehensive loss	**$ (312)**	$ (707)	$ (8,491)
Loss per share (in USD):			
Basic	$ (0.06)	$ (0.48)	$ (5.43)
Diluted	$ (0.06)	$ (0.48)	$ (5.43)

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Balance Sheet

Figures in USD (000's)	Q1 2013	2012
ASSETS	*Unaudited*	
Non-current assets		
Property and equipment	**$ 367**	$ 440
Intangible assets	**1,428**	1,448
Total non-current assets	**1,795**	1,888
Current assets		
Inventory	**1,019**	1,055
Trade receivables and other	**4,203**	3,971
Cash and cash equivalents	**19,929**	1,248
Total current assets	**25,151**	6,274
Total assets	**$ 26,946**	$ 8,162
EQUITY AND LIABILITIES		
Equity		
Share capital	**$ 239**	$ 2
Share premium	**64,577**	3,935
Accumulated deficit	**(44,398)**	(44,218)
Translation reserves	**(493)**	(361)
Total equity	**19,925**	(40,642)
Non-current liabilities		
Long-term debt	**5**	7,451
Total non-current liabilities	**5**	7,451
Current liabilities		
Redeemable preferred shares	**-**	29,510
Convertible option on preferred shares	**-**	7,612
Short-term debt	**527**	314
Accrued liabilities	**3,113**	1,393
Accrued compensation and employee benefits	**506**	534
Trade payables	**2,870**	1,990
Total current liabilities	**7,016**	41,353
Total liabilities	**7,021**	48,804
Total equity and liabilities	**$ 26,946**	$ 8,162

These financial statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

Unaudited

Figures in USD (000's)	Share capital	Share premium	Translation reserves	Accumulated deficit	Total
Equity at January 1, 2013	$ 2	$ 3,935	$ (361)	$ (44,218)	$ (40,642)
Total comprehensive income - quarter ended March 31, 2013					
Loss for the period	-	-	-	(180)	(180)
Foreign currency translation adjustments	-	-	(132)	-	(132)
Total comprehensive income for the quarter ended March 31, 2013	2	3,935	(493)	(44,398)	(40,954)
Transactions with owners in the first quarter of 2013					
Shares issued	70	24,792	-	-	24,862
Less: issuance costs		(3,412)	-	-	(3,412)
Equity conversion to Denmark parent	25	(25)	-	-	-
Conversion of debt	9	3,110	-	-	3,119
Conversion of preferred shares	133	36,140	-	-	36,273
Share based payment expense	-	37	-	-	37
Transactions with owners for the quarter ended March 31, 2013	237	60,642	-	-	60,879
Equity at March 31, 2013	**$ 239**	**$ 64,577**	**$ (493)**	**$ (44,398)**	**$ 19,925**

Equity at January 1, 2012	$ 2	$ 3,792	$ (428)	$ (35,660)	$ (32,294)
Total comprehensive income - quarter ended March 31, 2012					
Loss for the period	-	-	-	(760)	(760)
Foreign currency translation adjustments	-	-	51	-	51
Total comprehensive income for the quarter ended March 31, 2012	2	3,792	(377)	(36,420)	(33,003)
Transactions with owners in the first quarter of 2012					
Shares issued	-	-	-	-	-
Share based payment expense	-	20	-	-	20
Transactions with owners for the year ended December 31, 2012	-	20	-	-	20
Equity at March 31, 2012	$ 2	$ 3,812	$ (377)	$ (36,420)	$ (32,983)

These financial statements should be read in conjunction with the accompanying notes.

Consolidated Cash Flow Statement

Figures in USD (000's)	Q1 2013	Q1 2012	2012
Cash flows from operating activities	*Unaudited*	*Unaudited*	
Loss for the period	**$ (180)**	$ (758)	$ (8,558)
Depreciation and amortization	**548**	439	2,052
Finance costs (income)	**(1,318)**	536	3,693
Income tax expense (income)	**-**	(2)	(7)
Impairment of intangible assets	**-**	-	74
Cash payments for income tax	**-**	-	(2)
Share based payments expense	**37**	20	140
Changes in trade receivables, inventories, other assets	**(292)**	(1,672)	(2,070)
Changes in trade payables and accrued liabilities	**102**	(257)	1,045
Net cash used in operating activities	**(1,103)**	(1,694)	(3,633)
Cash flows from investing activities			
Additions to intangible assets	**(489)**	(296)	(1,165)
Purchase of property and equipment	**(17)**	(44)	(88)
Net cash used in investing activities	**(506)**	(340)	(1,253)
Cash flows from financing activities			
Proceeds from debt issuance	**-**	-	3,306
Cash payments on long-term debt	**(3,100)**	-	-
Cash payments on line of credit	**(308)**	-	-
Cash payments for interest on debt	**(461)**	(300)	(322)
Proceeds from issuance of share capital	**24,825**	-	3
Cash paid for fees related to IPO	**(584)**	-	-
Proceeds from issuance of convertible preferred shares	**-**	-	366
Principal and interest payments on finance leases	**(2)**	(21)	(35)
Net cash provided by financing activities	**20,370**	(321)	3,318
Effect of exchange rate changes on cash and cash equivalents	**(80)**	(21)	148
Net changes in cash and cash equivalents	**18,681**	(2,376)	(1,420)
Cash and cash equivalents at beginning of period	**1,248**	2,668	2,668
Cash and cash equivalents at end of period	**$ 19,929**	$ 292	$ 1,248
Supplemental Disclosure:			
Unpaid IPO fees included in accrued liabilities	**$ 2,791**	$ -	$ -

These financial statements should be read in conjunction with the accompanying notes.

Notes to the quarterly financial statements

1. General information

Asetek A/S ('the Company'), and its subsidiaries (together, 'Asetek Group', 'the Group' or 'Asetek') designs, develops and markets thermal management solutions used in computers and datacenter servers. The Group's core products utilize liquid cooling technology to provide improved performance, acoustics and energy efficiency. The Company is based in Brønderslev, Denmark with offices in USA and China. The Company's shares trade on the Oslo Stock Exchange under the symbol 'ASETEK'.

In the first quarter of 2013, Asetek Group reorganized as follows: Asetek Holdings, Inc. was the parent company of the Asetek Group from August 2008 until February 2013. Asetek A/S was incorporated in December 2012 and acquired by Asetek Holdings, Inc. in January 2013. Asetek A/S became 100% owner of the Asetek Group through the purchase of all outstanding shares of Asetek Holdings, Inc. from the shareholders, in exchange for new shares in Asetek A/S in February 2013. This reorganization of Asetek Group has no effect on the Group's operating results.

These condensed consolidated financial statements for the quarter ended March 31, 2013 have been prepared on a historical cost convention in accordance with International Accounting Standard 34 (IAS 34) 'Interim Financial Reporting' and do not include all of the information and disclosure required in the annual consolidated financial statements. These statements should be read in conjunction with the Asetek Holdings, Inc. 2012 Annual Report.

The accounting policies adopted in preparation of these condensed consolidated financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2012.

The Group operates in an industry where seasonal or cyclical variations in total sales are not normally experienced during the financial year.

2. Initial public offering, conversion of shares and debt repayment

In March 2013, the Company completed an initial public offering (IPO) of 4.0 million new common shares offered by the Company on the Oslo Stock Exchange at an offering price per share of 36.00 Norwegian kroner (approximately $6.20 USD per share). The Company raised funds totaling $21.4 million, after deduction of $3.4 million of offering costs. At the time of the IPO, all of the Company's preferred shares outstanding, carried as current liabilities of $37.1 million at December 31, 2012, converted to common shares.

The Company had $4.4 million carrying value of convertible debt at December 31, 2012, of which $0.7 million gain was recognized at the IPO date, $3.1 million converted to common shares, $0.1 million was repaid in March 2013, and $0.5 million was included in short-term debt at March 31, 2013 and subsequently paid in April 2013. During the first quarter of 2013, the Company used $3.9 million of its IPO proceeds to pay off a note payable, related interest, and outstanding balance due on a line of credit with Sydbank. A revolving line of credit with no outstanding balance that Asetek USA maintained with Comerica Bank expired in March 2013 and was not renewed.

Financial income of $1.5 million in the first quarter of 2013 includes non-cash gains associated with the revaluation of outstanding debt instruments at the time of the IPO. The company recognized $0.8 million income on the convertible option on preferred shares and $0.7 million income on the convertible loan upon the revaluation of these instruments based on the initial trading price of the common shares.

3. Common shares

Common share activity in the first quarter of 2013 is as follows (in thousands):

Common shares outstanding at December 31, 2012	1,578
Offering of new shares in IPO	4,000
Conversion of preferred shares	7,660
Conversion of debt	493
Shares issued in reorganization - exercised options	61
Common shares outstanding at March 31, 2013	13,792
Shares issued in reorganization - in treasury	1,089
Common shares issued at March 31, 2013	14,881

The shares included in treasury may be used to fulfill share options and warrants outstanding totaling approximately 1.0 million at March 31, 2013. In addition, the board of directors is authorized to issue options or warrants granting rights to up to 300,000 incremental common shares with a corresponding increase in share capital.

4. Intangible assets

The Group's business includes a significant element of research and development activity. Under IAS 38, there is a requirement to capitalize and amortize development spend to match costs to expected benefits from projects deemed to be commercially viable. Costs capitalized are recorded on the balance sheet as intangible assets, net of amortization. In the first quarter of 2013, the Company capitalized approximately $0.5 million of development costs and recorded amortization of approximately $0.5 million (capitalized costs of $0.3 million and amortization of $0.4 million in the same period of 2012).

5. Earnings (losses) per share

The Company completed a public offering of its common shares in March 2013 and its shares have since been trading publicly on the Oslo Stock Exchange. IAS 33 requires disclosure of basic and diluted earnings per share for entities whose shares are publicly traded.

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings per share is calculated by adjusting the number of common shares outstanding used in the Basic calculation for the effect of dilutive equity instruments, which include options, warrants and debt or preferred shares that are convertible to common shares, to the extent their inclusion in the calculation would be dilutive.

	Q1 2013	Q1 2012	2012
Loss attributable to equity holders of the Company (USD 000's)	$ (180)	$ (758)	$ (8,558)
Weighted average number of common shares outstanding (000's)	3,206	1,574	1,575
Basic loss per share	$ (0.06)	$ (0.48)	$ (5.43)
Diluted loss per share	$ (0.06)	$ (0.48)	$ (5.43)

Potential dilutive instruments are not included in the calculation of diluted earnings per share for the periods presented because the effect of including them would be anti-dilutive and reduce the loss per share. Losses per share in the current period may not be comparable to prior periods, due to the significant increase in common shares outstanding from the issuance of new shares and conversion of preferred shares and convertible debt in the first quarter of 2013.

6. Transactions with related parties

The Company's chairman is a member of the board of directors of a reseller of Company products. During the quarters ended March 31, 2013 and 2012, the Company had sales of inventory to reseller of $1.3 million and $0.2 million, respectively. As of March 31, 2013 and 2012, the Company had outstanding trade receivables from the reseller of $469,000 and $157,000, respectively.

7. Post balance sheet events

In April 2013, the Company paid to its investment bankers $2.1 million for fees related to the IPO and $0.5 million as payment in full on a convertible loan. These amounts are included on the balance sheet at March 31, 2013 in accrued liabilities and short-term debt, respectively.

Statement by the Board of Directors and Management

The Board of Directors and the Management have considered and adopted the Interim Report of Asetek A/S for the period 1 January – 31 March 2013. The Interim Report is presented in accordance with the International Accounting Standard IAS 34 on Interim Financial Reporting and additional Danish disclosure requirements. The accounting policies applied in the Interim Report are unchanged from those applied in the Group's Annual Report for 2012.

We consider the accounting policies appropriate, the accounting estimates reasonable and the overall presentation of the Interim Report adequate. Accordingly, we believe that the Interim Report gives a true and fair view of Asetek's financial position, results of operations and cash flows for the period.

In our opinion, the Interim Report includes a true and fair account of the matters addressed and describes the most significant risks and elements of uncertainty facing Asetek. The Interim Report has not been audited or reviewed by the auditors.

Asetek A/S
San Jose, 23 May 2013

Management:

André Eriksen
CEO

Peter Dam Madsen
CFO

Board of Directors:

Sam Szteinbaum
Chairman

Alexander Wong
Member

Bengt Olof Thuresson
Member

Chris J. Christopher
Member

Henri Richard
Member

Jørgen Smidt
Member

Knut Øversjøen
Member

Contact:

André S. Eriksen, CEO: +1 408 398 7437

Peter Dam Madsen, CFO: +1 408 813 4147

Company Information:

Asetek A/S
Saltumvej 27
DK9700 Brønderslev
Denmark

Phone:	+45 9645 0047
Fax:	+45 9645 0048
Web site:	www.asetek.com
Email:	investor.relations@asetek.com