



Promise introduction

Value, not volume

Transform storage device provider to solution provider

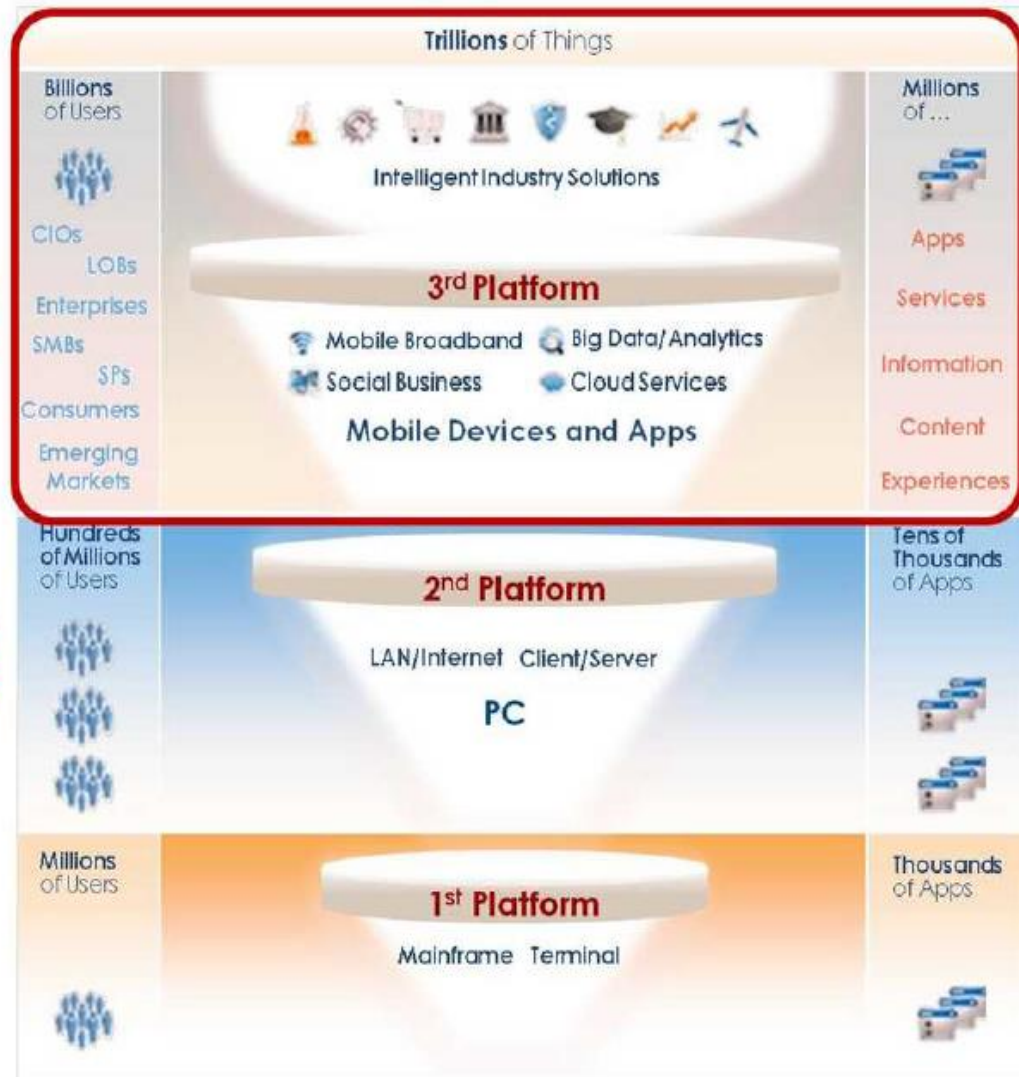
- Industry Trend and Opportunities
- Promise Global Coverage
- Promise Snapshot
 - Customers ,partners and product
 - Financial status
- Our Growth Strategy
- Promise Competitive Advantage

IT Trend - IDC predictions 2013 (2012/11)

- 2013 WW IT spending: \$2.1T (up 5.7%)
- By 2020, when the ICT industry reaches \$5 trillion.
- The 5 key technologies drive 98% of future ICT growth: IOT , Mobile, **Cloud computing**, Social business and **Big Data Analytics**. (22% to 40%)
- Gartner: 80% couldn't get the benefit from Big Data by 2015.

**ICT Innovation
2005–2020+**

**ICT Innovation
1985–2005**



- ECB storage
 - WW ECB market size will be US\$ 9B (2017, CAGR 14.2%, Gartner)
- Cloud
 - WW cloud market: \$ 67.6B(2017, CAGR 38%)
 - WW cloud storage: \$ 12.1B (2018, CAGR 40%, Market and Market)
- Big Data
 - WW \$10B in 2013. \$20B in 2016. (CAGR 39%)
 - China : \$0.08B to \$0.6B in 2016 (CAGR 51% ,IDC)
 - Taiwan: \$0.024B in 2012 to 0.0365B by 2015.(CAGR 24% ,III MIC)
- Surveillance Storage
 - WW \$6.4B in 2015 (CAGR 19%, PIDA)
- Rich media Storage
 - WW \$ 11.9B in 2018 (CAGR 14%, Coughlin)

PROMISE Global Coverage

  PROMISE OFFICE



WW employee no. 500 (46% in R&D) 2012 Rev. : US\$ 105M

Snapshot of Promise

- IDC 2013 Q1-Q3 ECB: \$ 17.5B. (Growth rate :- 1.68%)
- Gain share (13.26% > -1.68%)
- Characteristics :
 - High Margin: 42.1% (entry barrier), RD/Rev. 15~17% > 6%~8%
 - Promise brand v.s. ODM: 45% v.s. 55%
 - 80%+ rev. from US & EMEA, WW brand, S&M, channel & service

Vendor	2013 Q1-Q3 Rev.	2012 Q1-Q3 Rev.	2013 Q1-Q3 M/S	2013 Q1-Q3 YOY
EMC	5,385	5,314.44	30.71%	1.33%
NetApp	2,405	2,266.02	13.72%	6.13%
IBM	2,036	2,134.16	11.61%	-4.61%
Hitachi	1,417	1,813.52	8.08%	-21.86%
HP	1,634	1,539.04	9.32%	6.14%
Promise	89	78.96	0.51%	13.26%
Total	17,535	17,835.12	100.00%	-1.68%

Market Recognition

Worldwide Block External Controller-Based Disk Storage Vendor Unit Market Share

	Vender	Units	Share (%)
1	HP	57,324	16.2
2	Dell	48,901	13.8
3	EMC	38,676	10.9
4	IBM	21,308	6.0
5	NetApp	20,963	5.9
6	Oracle-Sun Micro	13,840	3.9
7	Fujitsu	13,276	3.7
8	Hitachi/HDS	12,725	3.6
9	Promise	12,717	3.6
10	Dot Hill	3,606	1.0

Worldwide Block Entry-Level Modular Disk Array Vendor Unit Market Share (\$0 to \$24,999)

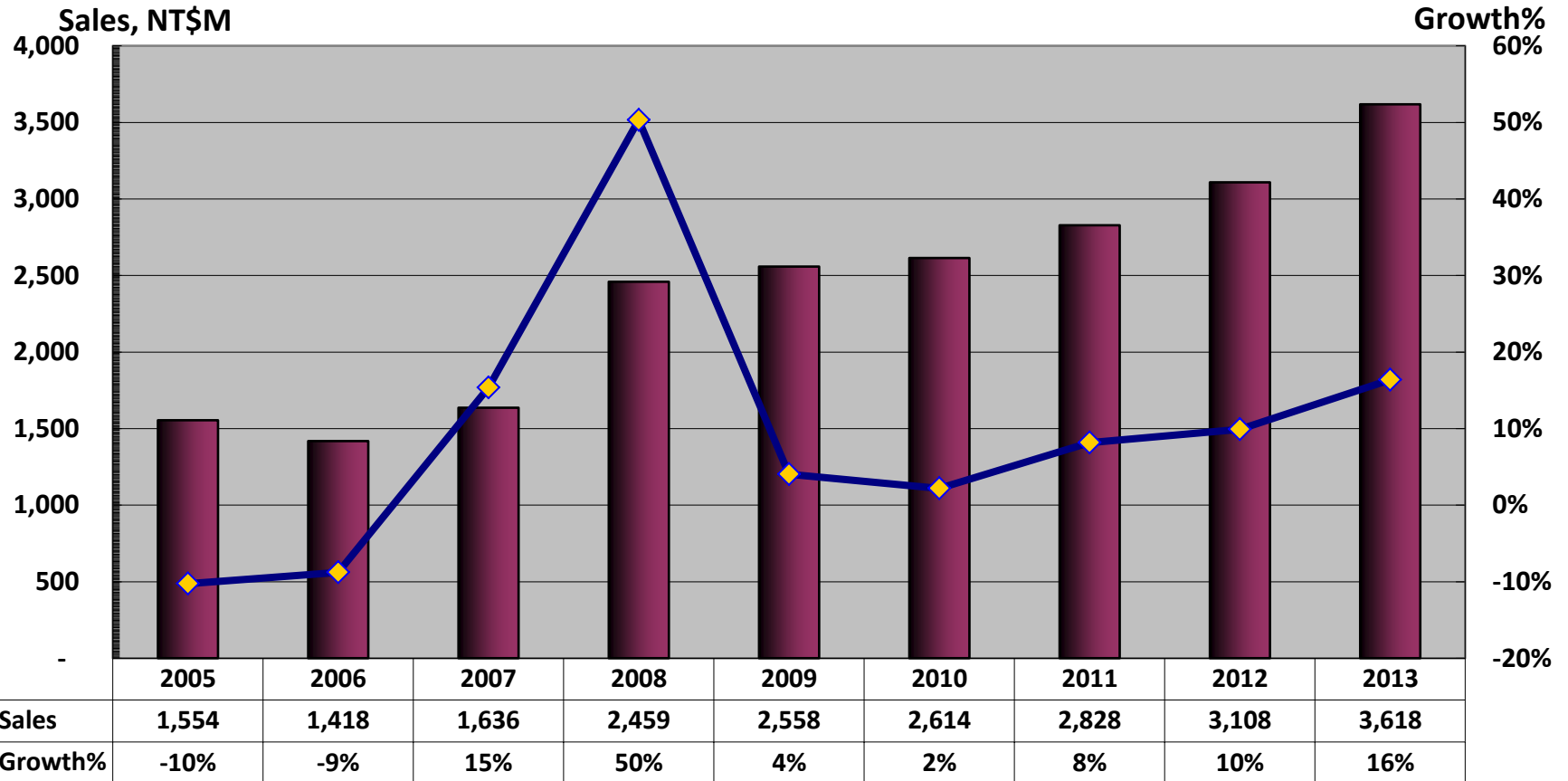
	Vender	Units	Share (%)
1	HP	38,688	18.8
2	Dell	30,796	15
3	EMC	12,717	6.2
4	Promise	10,007	4.9
5	NetApp	7,202	3.5
6	IBM	6,636	3.2
7	Fujitsu	4,615	2.2
8	Dot Hill	3,472	1.7
9	Nexsan	3,081	1.5
10	Oracle-Sun Micro	2,695	1.3

Worldwide Block Entry-Level Modular Disk Array Vendor Revenue Market Share (\$0 to \$24,999)

	Vender	Revenue(\$M)	Share (%)
1	Dell	420.9	21.9
2	HP	400.5	20.9
3	EMC	153.9	8
4	IBM	125.3	6.5
5	NetApp	96	5
6	Fujitsu	63.2	3.3
7	Nexsan	43.3	2.3
8	Oracle-Sun Micro	42.6	2.2
9	Hitachi/HDS	42.6	2.2
10	Promise	40.6	2.1

Source: Gartner
Market Share: External Controller-Based Disk Storage, Worldwide, 2007-2010
Publish Date: 2011/04

2005~2013 Sales revenue



Income statement_2010~2013

(In NT\$ Millions)	2010	2011	2012	2013
Net Revenue	2,614	2,828	3,108	3,617
Gross Margin	50.3%	40.2%	38.7%	42.2%
Operating Expenses	1,301	1,253	1,052	1,156
Operating Margin	0.5%	-4.1%	4.9%	10.2%
Net Income	6	(183)	101	331
Net Profit Margin	0.2%	-6.5%	3.2%	9.1%
EPS(NT\$)	0.04	(1.25)	0.68	2.22
ROE	0.3%	-11.7%	6.4%	17.2%
FX rate(NT\$/US\$)	31.518	29.390	29.574	29.689

Worldwide customers and Partners



中華電信



政的大哥大
台灣大哥大



Microsoft®



acer

AMD

ASUS®



lenovo 联想

HITACHI
Inspire the Next

SONY

TOSHIBA
Leading Innovation >>>



Western
Digital

FUJITSU

SUPERMICRO®

NEC

Kodak

AVNET®



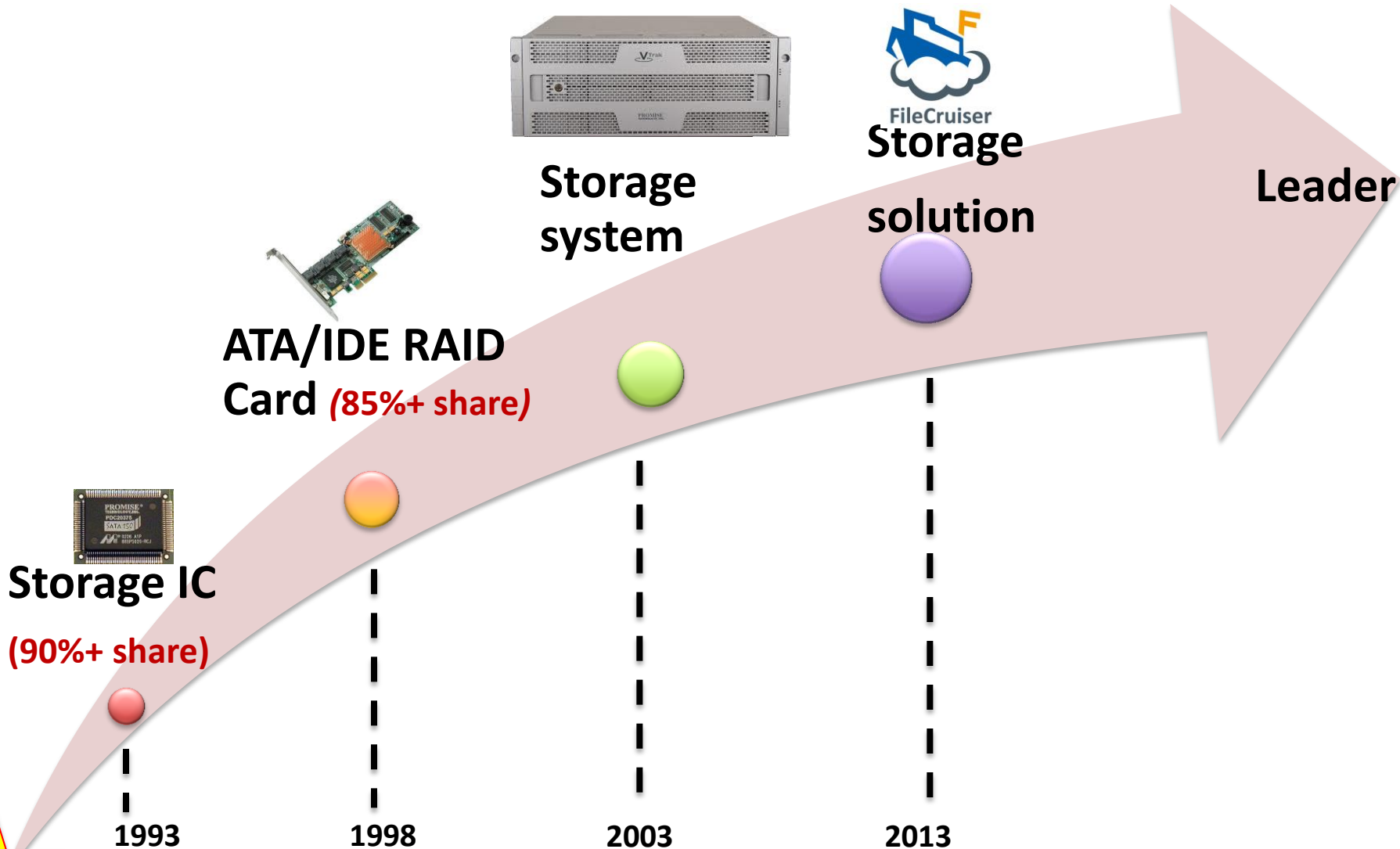
NOVA
DESIGN
浩漢設計

TYAN



同有 北京同有飞骥科技有限公司
TOYOU TOYOU FEIJI ELECTRONICS CO.,LTD.

Positioning Change



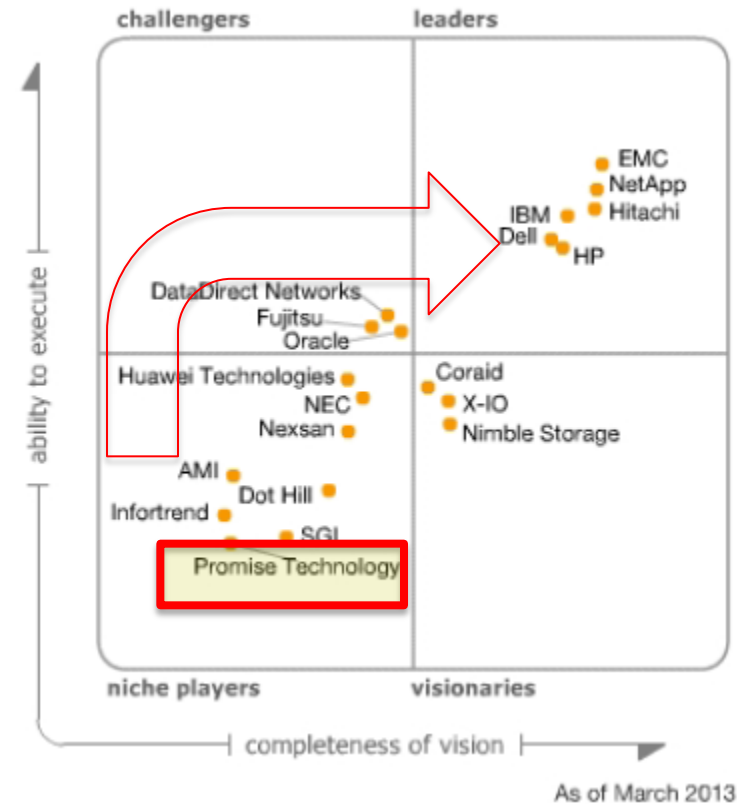
Product => Service => Customer Oriented

Confidential

The way Promise want to go

- Provide storage solutions to gain more market shares from WW storage vendors.
- How to achieve:
 - Focus on storage application instead of HW & FW focus to penetrate cloud and enterprise storage market.
 - Industry application, not IT application
 - Surveillance: Vess A-Class
 - Rich Media: Vtrak A-Class
 - Cloud storage: File Cruiser, Object Storage, Block Storage.

Gartner Report 2013-03-21



Surveillance

Cloud

Rich & Media

Customer oriented

Market

PIDA:

1. 2015 Worldwide surveillance storage will reach US\$ 3.8B with 19% CAGR.

Strategy

1. Ally with WW VMS leader to develop next generation of VMS.
2. Provide tailor made surveillance solution with better performance.

Market

Markets and Markets:

1. 2018 Worldwide cloud storage will reach US\$ 46.8B with 40% CAGR

Strategy

1. Provide SAAS and IAAS with object cloud end to end solution to Government, enterprise and education industry.

Confidential

Market

Coughlin (2012) :

1. The storage of R&M will grow to US\$ 11.9B in 2018 with 14% CAGR.

Strategy

1. Provide 4K & 8K HD ready SAN solution
2. Penetrate back up and archive segment

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Industry oriented storage solution

IT/Cloud storage

**Platform – VTrak, Vess
and Storage Server**



**Solutions – FileCruiser: File
Sharing and Synchronization**



**Solutions – Scale-Out Object
and Cloud Block Storage**



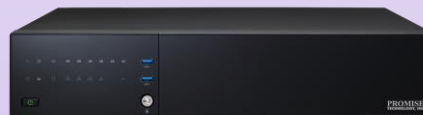
Markets for Private Cloud

- Educations, Telecomm.,
Manufacturing, Enterprises,
Transportations, Financial
Institutes, Medicare, etc.

Surveillance storage



Vess A2600



Vess A2200



Vess R2000 Series

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Rich media storage



VTrak A-Class
VTrak x30 Series



SANLink



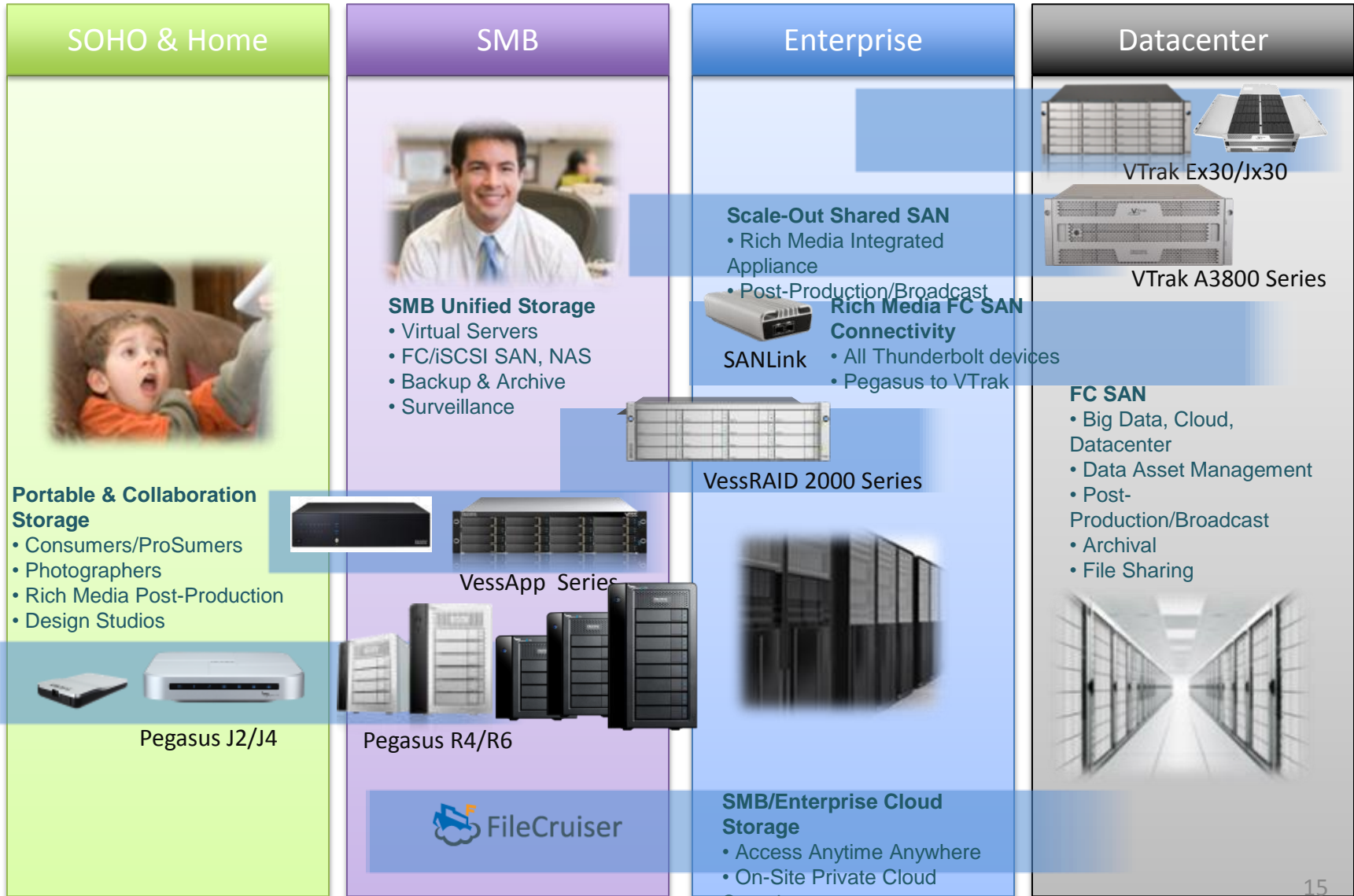
Pegasus R4/R6



Pegasus J4 & Pegasus J2



Product Line by Segment



Marketing Presence



2013 9/7~8 Intel IDF San Francisco



2013 9/13~17 IBC Holland

Marketing Presence



2013 CeBIT in Hannover Germany



Computex 2013 in Taipei Taiwan

Marketing Presence

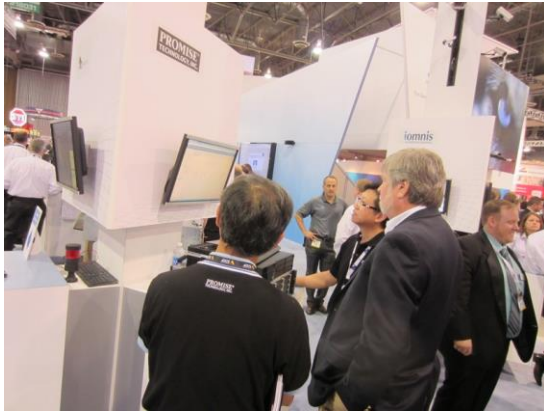


2013 NAB Show in Las Vegas



IFSEC 2013 in Birmingham, UK

Marketing Presence



ISC West/ USA



IFSEC/UK



NAB/ USA



Taiwan Solution Day

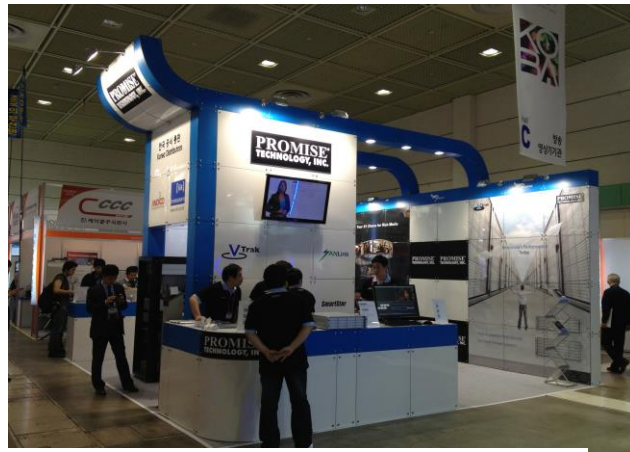


Korea Solution Day
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Japan Solution Day

Marketing Presence



2013 KOBA Show in Korea



Blackmagic Roadshow in Japan



NAB Show in Las Vegas



Intel Storage Forum in Taipei




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Intel IDF in Beijing



Adobe Road Show

Thank you!!!

A blurred background image showing several people in business attire high-fiving each other, conveying a sense of teamwork and success.

**Coming together is Beginning
Moving forward is Progress
Working together is Success**

4K Opportunity (Con't)

■ Unit: Millions



Supplier	2013	2014	Products
AUO	0.3	5	42", 50", 55", 65"
BOE	0	1	49", 55"
ChinaStar	0.4	2	49", 55"
Innolux	1.8	12	39", 40", 42", 50", 58", 65", 85"
LG Display	0.1	2	49", 55", 65", 84"
Samsung	0.1	4	40", 48", 55", 65", 85", 98"
Sharp	0.02	0.5	60", 70"
Total	2.72	26.5	