



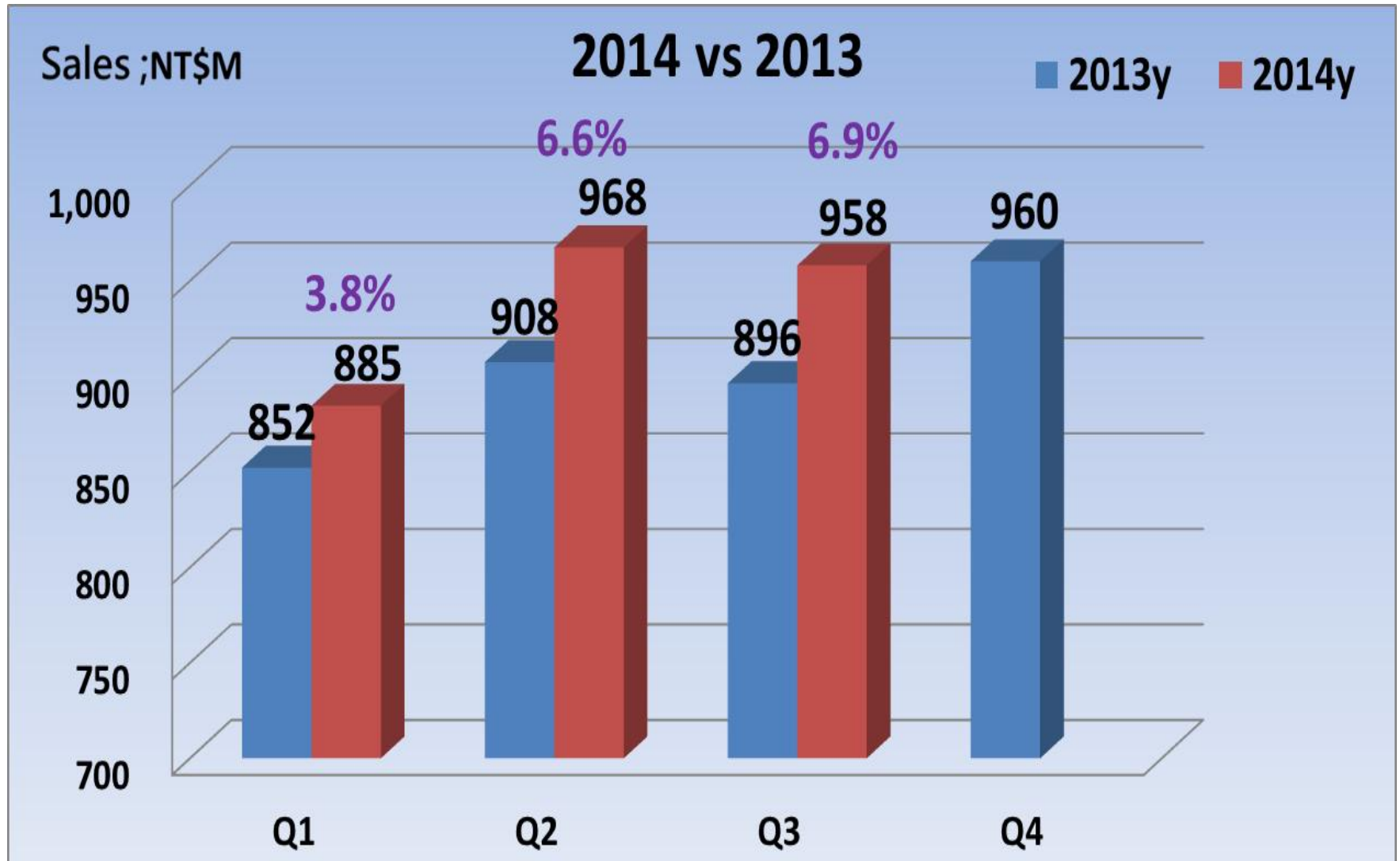
Promise Technology 2014 Investor Conference

Speaker: James Lee, CEO, Promise Technology
Date: OCT 17, 2014

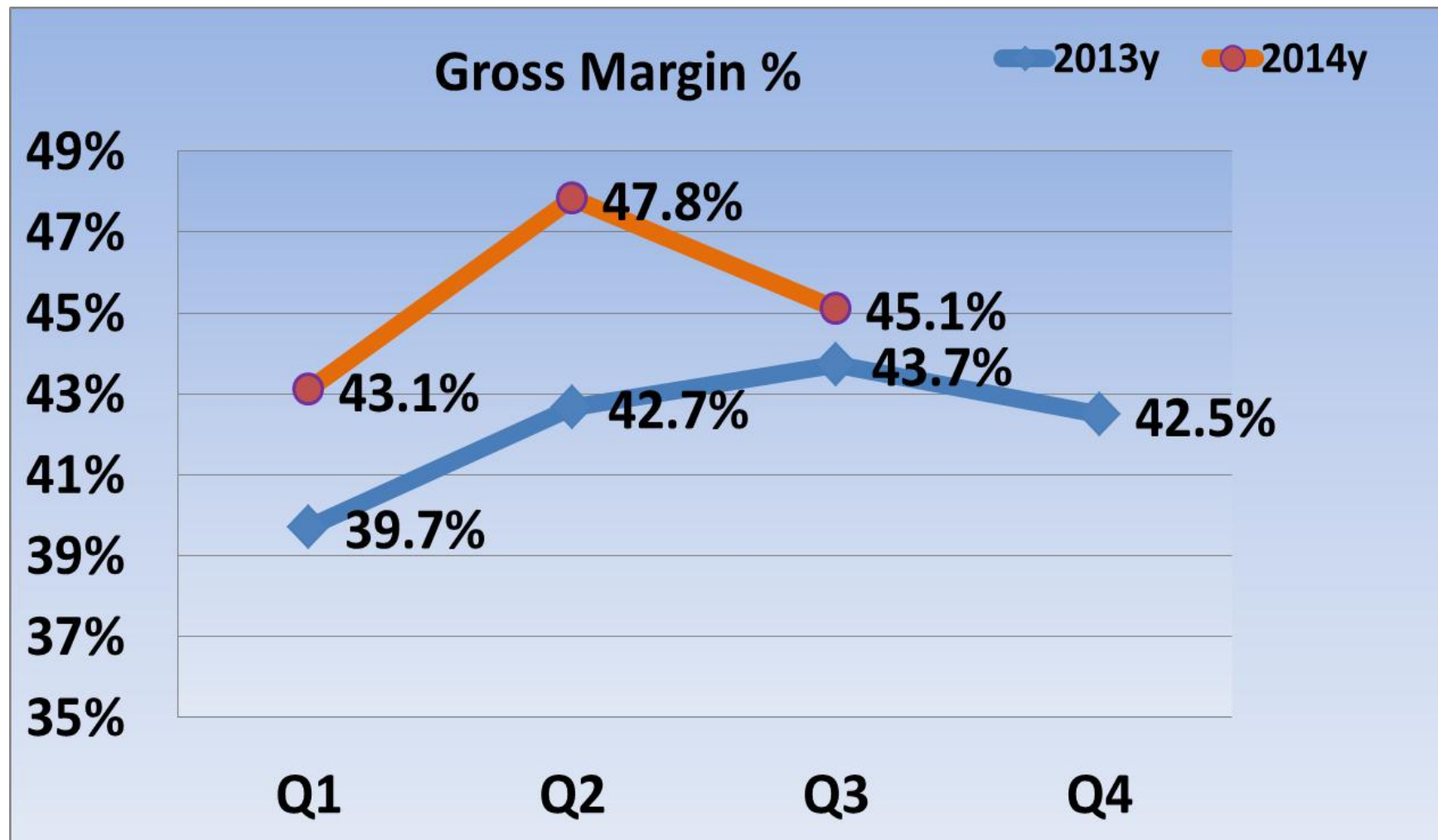
- **PROMISE's** statements of its current expectations are forward-looking statements subject to significant risks and uncertainties and actual results may differ materially from those contained in the forward-looking statements.
- **Except as required by law, we undertake no obligation to update any forward-looking statement, whether as a result of new information, future events, or otherwise.**

- **Operation and Financial**
- **Growth factors and reflection**
- **Enhance for 2015**
- **Solution and Chance**
- **Big Data and IOT**
- **2015? and Q&A**

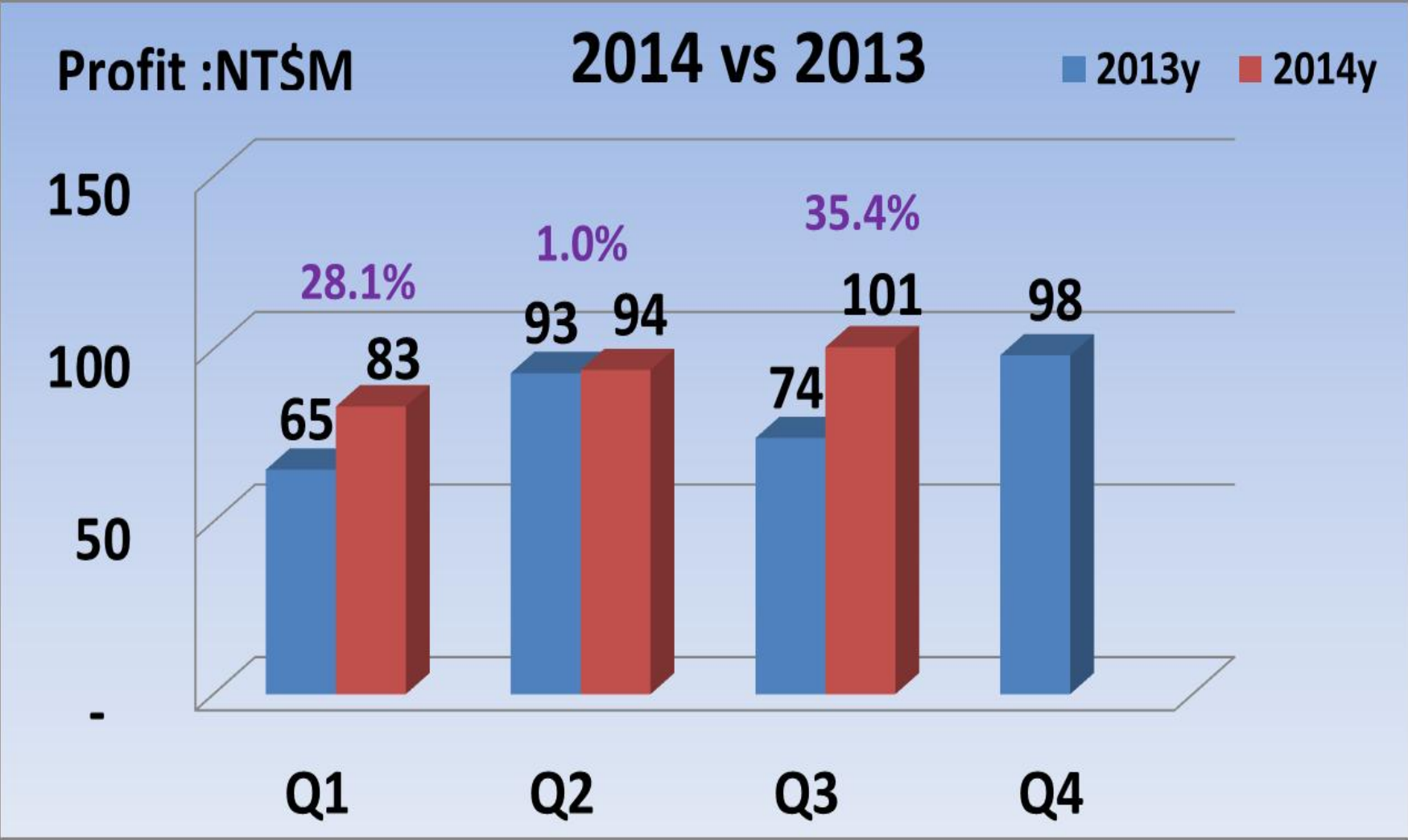
Sales Revenues: Q1-Q3 2014 vs. Q1-Q4 2013



Gross Margin %: Q1-Q3 2014 vs. Q1-Q4 2013



Net Profits: Q1-Q3 2014 vs. Q1-Q4 2013



Selected Items from Statement of comprehensive Income-YOY

(In NT\$ Millions)	1Q14	2Q14	3Q14	Nine Months Ended Sep. 30, 2014	Nine Months Ended Sep. 30, 2013
Net Revenue	885	968	958	2,810	2,656
Gross Margin	43.1%	47.8%	45.1%	45.4%	42.1%
Operating Expenses	308	323	314	944	852
Operating Margin	8.3%	14.5%	12.4%	11.8%	10.0%
Net Income	83	94	101	278	232
Net Profit Margin	9.4%	9.7%	10.5%	9.9%	8.7%
EPS(NT\$)	0.52	0.59	0.63	1.74	1.56
ROE	3.7%	4.2%	4.5%	12.3%	13.5%
FX rate(NT\$/US\$)	30.270	30.105	30.008	30.008	29.734

Growth Factors

- Sales of New Products
- Development of New Mid-to-Large Sized Customers
- Development of New Markets and Fields
- New Marketing Strategy and Planning
- Natural Growth

Reflection : 2014?

Strengthening the 2015 Strategy: Three Target Markets and Solutions

PROMISE[®]
TECHNOLOGY, INC.

Cloud Storage Market & Solutions



Rich Media Storage Market & Solutions



Surveillance Storage Market & Solutions



[Click here to watch the video](#)

Customer Success Story: Hope Presbyterian Church, Memphis, Tennessee, USA

- Hope Church's main sanctuary has 5000 seats and the church can blow up to 20,000 guests when it holds events such as concerts and graduations. Hope Church's creative team of more than 10 people produces content to six screens throughout these services from HD cameras around the sanctuary.
- Hope Church deployed the PROMISE VTrak A-Class shared storage appliance to replace its out of date Apple server and to update their SAN

Hope Church has experienced incredible benefits:

- Excellent scalability as they can 'pay as they grow' up to 7PB
- Multiple editors can work with the same media at the same time without worrying about file corruption – perfect for Hope Church who face short deadlines
- A-Class is fast – can run high-resolution media between spread over different computers without dropping frames
- All-in-one solution saves costs, is highly reliable and offers the best performance

Cloud & Solutions



Infrastructures & Platforms

Phase 1 Hyper Scale Data Center

Google, Apple, Face Book, etc.

Software/Solution???

Computing & Power!!!

Storage ???

Phase 2 Service Provider & Enterprise Data Center

Telco, Governments, Mid-Big Enterprises, etc.

Computing & Power!!!

PROMISE Opportunities

Software, Solutions & Converged Storage !!!

Solutions

Phase 1 Apps, Computing and Storage Services

Amazon, Microsoft, Salesforce, DropBox, Promise, etc.

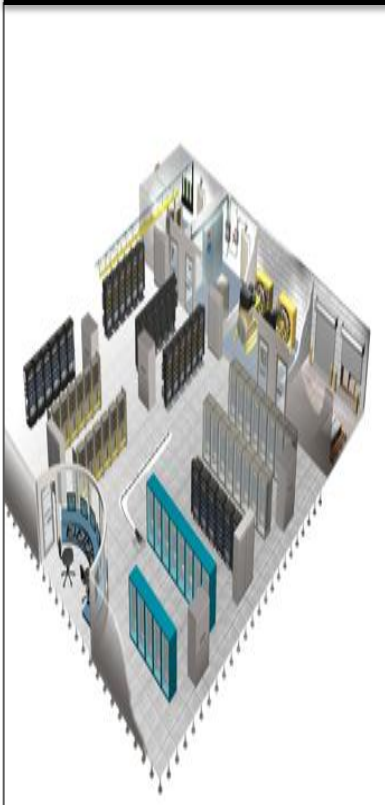
Phase 2 Vertical & Enterprise-Oriented Cloud Services

*Education, Medicare, Surveillance, Entertainment, **BIGDATA, IOT**, etc.*

Collaborations Among Companies –

PROMISE & 3rd Parties

Cloud & Solutions



2014 Solutions > Market Opportunities

IaaS –

HW: **Storage Server,**
RAID Sub-System,
JBOD Sub-System

PaaS –

HW+SW:
Scale Out Storage Appliance
– NAS/Object Storage/
Block Storage,
Converged Storage



SaaS –

SW+HW:
File Sync. & Sharing,
3rd Party's :
Education SW ,
Medicare SW,
VMS, Big Data, IoT, etc.

Data Center Builder

Who are capable of installing Software to build IDC for different Applications , i.e. Education, Medicare, Surveillance, IoT, etc.

Cloud SW Focus Companies

Who are develop/marketing Cloud-Oriented Platform or Application SW to build Public or Private Cloud

Tier2 & Tier 3 Service Providers

Telco/IDC, Government Institutes

Enterprise Companies

Big Data Analytics, Financial Institutes, Multi-Locations Companies, etc.

Government Institutes

Transportation, Security, Education, Medicare, etc.

ODM/OEM

Branding Companies in Cloud Relative Industries

Rich Media & Solutions



Storage Platform for Rich- Media Solutions

<i>Solutions</i>	<i>TAM 2015</i>	<i>\$, Q1-Q3, 2014 => Target 2015</i>	
<u>Post-Production & 4K Video</u>	<u>US\$800M</u>	<i>US\$50M</i>	<i>=> US\$ 80M</i>
<u>Archiving & Back Up</u>	<u>US\$1,360M</u>	<i>US\$ 4M</i>	<i>=> US\$ 15M</i>
<u>Contents Delivery</u>	<u>US\$434M</u>	<i>US\$ 2M</i>	<i>=> US\$ 10M</i>
<u>Assets Management</u>	<u>US\$3,600M</u>	<i>US\$ 0</i>	<i>=> XXXXXXXX</i>

Rich Media & Solutions



2014 Solutions > Market Opportunities

Post-Production & 4K Video



Archiving & Back Up *3rd Party's Archiving and Back Up SW*

ARCHIWARE

Contents Delivery *3rd Party's Video Streaming SW*

Film-Maker Studio/Workshop *3D and High Resolution Video & Movies*

Education Institutes *Remote E-Learning and Teaching*

Organizations *Who needs Professional High Resolution Video Ingestion, Editing and Broadcasting*

TV Stations *Broadcasting, Video Ingestion and Editing*

Digital Entertainment Companies *VOD*

ODM/OEM *Branding Companies in Rich Media Industries*

Surveillance & Solutions

Surveillance NVR

Product Type **TAM 2015** **\$, Q1-Q3,2014 => Target 2015**

Server-Based NVR

US\$970M

US\$13M => US\$40M

Solutions

Product Type **TAM 2015** **\$, Q1-Q3,2014 => Target 2015**

Scalable Cloud-Based Surveillance System

US\$???

US\$ 0 => US\$???



Surveillance & Solutions



2014 Solutions > Market Opportunities

Server-Based NVR



Genetec

axxon
Video Surveillance and Security Solutions

SONY



Scalable Cloud-Based Surveillance System

Intelligent City

Casino

Transportations

Airports, Sea Ports, Train Stations etc.

Banks

Factories/Warehouses

Enterprises

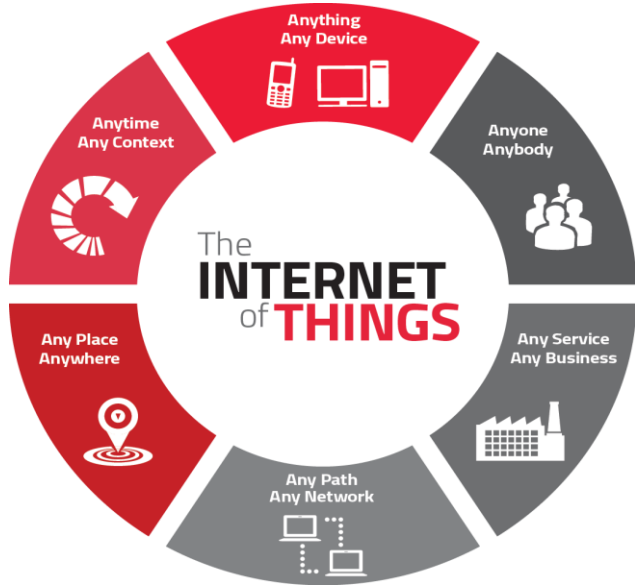
Who needs Surveillance for Security

Data Centers

Cloud Based Surveillance System

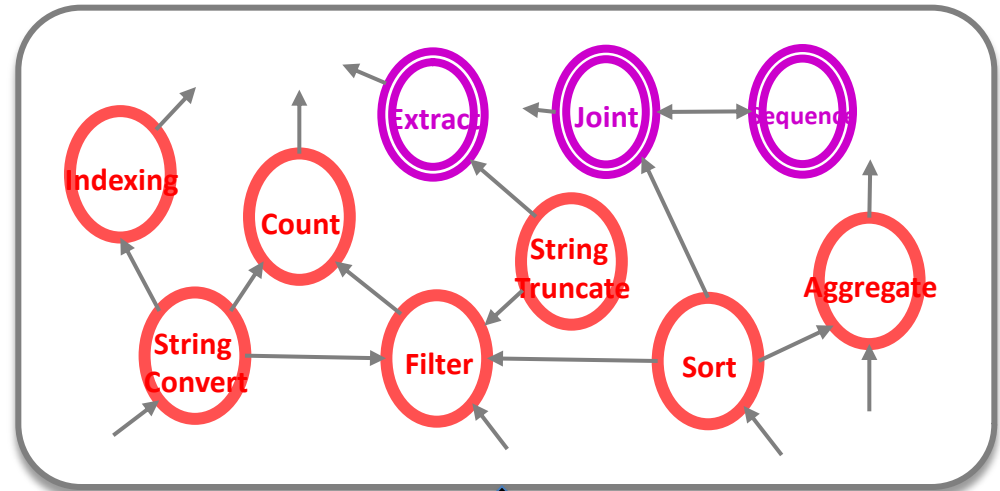
ODM/OEMs

Branding Companies in Surveillance Industries



Data Source

Big Data Analytics



Computing & Storage

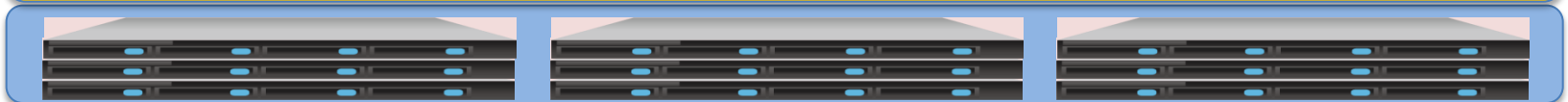
Hot



Warm



Cold



Q & A

PROMISE(3057)



Thanks!