The Journey to Becoming #1 in PCB
Delivering Strong Performance & Positioning for Future Growth

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Sam Weiss
Chairman
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Financial data

All dollar values are in US dollars (US$) unless as otherwise presented.
Agenda

1. Company Overview
2. Financial Performance
3. Market Opportunity & Growth Strategy
4. Outlook
The company was founded with the creation of Protel PCB

Altium launches Protel for Windows - World’s first Microsoft Windows-based PCB design system

Altium launches Altium Designer 6, the world’s first Native 3D PCB design software

Altium launches PCBWorks introducing a specialized version of its PCB Design Software integrated with SolidWorks MCAD tool.

Altium launches Altium Designer 13 introducing DXP 2.0, its next generation integration platform opening up Altium Designer to third-party developers

Altium completes an IPO on Australian Stock Exchange

Now

2010

1999

1991

1985
Printed Circuit Board Design and Manufacturing Process

- Circuit Diagram
- Layout Film
- Bare Board
- Assembled Board

Design Capture → Layout → Fabrication → Assembly
PCB Design Software - Global Market Share

Printed Circuit Board Estimated Market Share (by Revenue)

- **MENTOR GRAPHICS**: 35%
- **CADENCE**: 26%
- **ZUKEN**: 20%
- **ALTUM**: 10%
- **OTHER**: 9%

Source: PCB Market Trends 2014 – Gary Smith EDA
A Unique PCB Design Solution For Every Market Segment

A new high-end tool for enterprises to work with high complexity, high density cutting edge designs
Diversity of Applications

- Automotive
- Aerospace & Defence
- Life Sciences
- Mobile Devices & Communications
- Consumer-Electronics
- Electronics & High-Tech
- Research & Education
- Industrial Controls Automation
- Computers
- Semiconductors
# High Profile Customers

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<th>Aerospace &amp; Defence</th>
<th>Life Sciences</th>
<th>Mobile Devices</th>
<th>Consumer- Electronics</th>
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<th>Computers</th>
<th>Semiconductors</th>
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1. Established Brand in Most Countries in the World
2. Complex Software IP Consisting of Millions of Lines of Code
3. Value-based Sales with Strong Operating Leverage
4. Customer Loyalty
5. Expanding Margin
6. The Only Pure-Play PCB Company in the World
7. Strong Operating Leverage
8. Altium Enjoys a High Level of Customer Loyalty
9. Altium has a Strong Operating Leverage

Altium’s Core Strengths & Enduring Competitive Advantages
Altium’s Financial Strength

Revenue

Subscription Revenue

Profit

Capital Raising $44M

Setting a New Strategic Direction to Focus on Core Strength
Altium’s H1 FY15 Financial Highlights

REPORT CARD

- **Maintain top line growth and expand margins.**
  First half 17% revenue growth and EBIT margin increased from 16% to 26%.

- **Increase subscription renewal rates.**
  Renewal rates in key regions improved from 81% to 84% (3% compared to FY14).

- **Acquire New Customers.**
  Continued to aggressively acquire new accounts at the same level as FY14.

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### Expanding Margins

- **H1FY13:** 16%
- **H1FY14:** 26%

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### Financial Highlights:

- **EBIT $9.6M**
  (up 84% pcp)

- **$37.8M Revenue**
  (up 17% pcp)

- **27,000 Subscribers**
  (51% of H1 Revenue)

- **5.63 EPS**
  (up from 3.11)

- **AU 8c Dividend**
  (up 50%)

- **$59.1M Net Cash**
  (up 9% pcp)

- **$33.7M Sales**
  (up 9% pcp)
Altium’s Revenue Sources

- **Altium Subscription** (Recurring Revenue) 51% (50% H1FY14) (47% H2FY14)
  - Subscriptions Attachment to New License Sales 10% ($3.8M)
  - Lapsed Subscriptions Re-joining and upgrades 7% ($2.7M)
  - Subscription Renewals 34% ($12.6M)
- **Altium Software** (New Licenses) 33% ($12.5M)
- **Tasking Software** (New License & Maintenance) 9% ($3.3M)
- Other (Services & Hardware) 7% ($2.6M)
Agenda

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Rise of Smart Connected Devices

1990’s
Web 1.0
Search & Discovery
Information is Indexed

2000’s
Web 2.0
Social Networking
People are Networked

2010’s
Web 3.0
Internet of Things
Electronics puts Internet into Things
Printed Circuit Boards Central to Electronics

At the Heart of All Intelligent Systems Are Electronics and Printed Circuit Boards
Increasing Use of Electronics in Modern Cars

Up to 40% Electronic Value (Hines, 2012)  
Traditional Vehicle

Up to 75% Electronic Value (Hines, 2012)  
Hybrid/Electric

60%  
By 2017
Use of Smart Electronics in Everyday Things

The Nest thermostat learns the temperature you like, turns itself down when you're away, and has remote control through Wi-Fi.

Complex Design with Multiple Printed Circuit Boards
The Multidisciplinary Challenge of Design

Cloud System Engineering
Cloud application development and infrastructure management

Embedded System Engineering
Development of Control Systems in Electromechanical devices

Electronics Engineering
Creation of high-performance electronic hardware with complex form factor

Mechanical Engineering
Designing complex objects with sophisticated electromechanical behaviour

Electrical Engineering
Development of wire harness and electrical systems in Electromechanical devices
Altium’s High Level Strategy Implementation

- Build Momentum by Focusing on Core Strengths
- Expand Market Reach through Partnership
- Grow Capability Through Acquisition
Altium will Grow by Acquiring/Partnering with Brands that are Associated with the Design of PCBs and Smart Devices
Altium - the Next Generation PCB Design Software Company

Altium is the only pure-play PCB design software company in the world.

With over 30 years of continuous design in PCB software, Altium is best in class.

Our platform base provides agility to partner with other engineering design tools.

We support deep integration of our tools to other engineering disciplines (including mechanical CAD).

We support and work with specialised go-to-market plays.