

4 October 2013

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ALTIUM LIMITED

Dear Shareholder,

Reflecting on fiscal 2013, it was a year of significant change and transformation for Altium. We have a new leadership team and a dedicated focus to create long-term shareholder wealth by delivering on-going value for our customers.

As I have discussed with many of you at our investor presentations, I am very heartened that we have had a year of successful delivering of our corporate strategy.

There are a number of key takeaways from fiscal 2013. Altium worldwide sales achieved a second successive year of double-digit growth. We were able to grow our margins and underlying profit increased by 48% from fiscal 2012. We also positioned ourselves for the future in terms of timely product innovation and regular software updates that are driven by our customers' needs.

During the fiscal year, we invested in our core competency as a leading provider of printed circuit board and system-level design automation solutions to developers of electronic products and smart embedded devices. We realigned our resources to support key opportunities, evolved our senior leadership, and strengthened our operational discipline.

The disciplined execution of our corporate strategy has improved shareholder value and, most pleasingly, delivered a financial return to our shareholders to the total amount of AU 11 cents per share over fiscal 2013.

As we enter fiscal 2014, we believe that we are well positioned to maintain momentum. We are confident in our strategy and the resilience of our business model. We intend to continue on the path that we have adopted and will stay the course in fiscal 2014 and beyond.

In fact, Altium is investing to not only maintain its current market leadership position in printed circuit board and system-level design automation solutions but to also expand its market reach. To achieve this, our product development strategy is focused on closing the capability gaps with high-end design tools. At the same time, Altium will focus on the needs of the entry-level market and develop strategic partnerships as part of our strategy to better serve our customers.

Looking ahead, Altium will drive growth in the following key areas:

- Expand our channel capacity through our reseller network to leverage Altium's business momentum, product offering and increase market share within our growing market segment.
- Build the foundation to expand strategic sales through a global key accounts sales team and deliver product customisation services through our R&D.
- Introduce a more sophisticated product delivery by structuring Altium Designer into a suite of software products.
- Leverage our leadership position in embedded software, through our TASKING brand, to drive strategic sales.

Through fiscal 2014 and beyond, Altium has a sharp focus on the execution of our corporate strategy. We will align resources to ensure that we innovate and make investments that are in the best interests of our shareholders, customers and employees. We are focused on the goal of gaining market share, including in areas in which we already lead. Our ambition is to deliver profitable growth and generate sustainable, long-term shareholder value.

Altium is a great company, with a strong culture of innovation and the talent to deliver results. We value your partnership, as shareholders, as we position the company to lead into the future. I believe that this will be an exciting journey and I thank you for your continued interest and support.

Best regards,



Kayvan Oboudiyat  
CEO

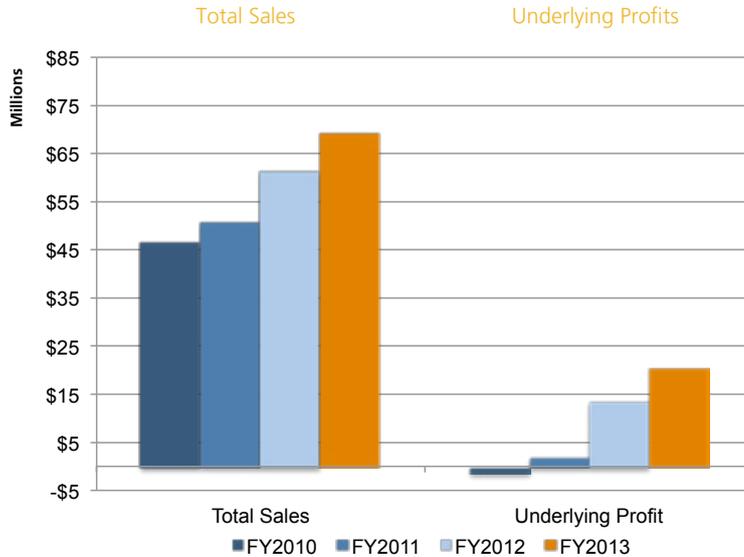
The Altium logo is positioned in the top right corner. It features the word "Altium" in a white, bold, italicized sans-serif font. A blue line graph, representing a rising trend, starts from the bottom left and ends with a glowing blue dot at the top right, passing through the logo.

**Altium Performance**

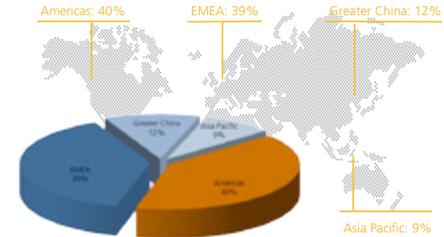
**2013**

Altium Limited ACN 009 568 772

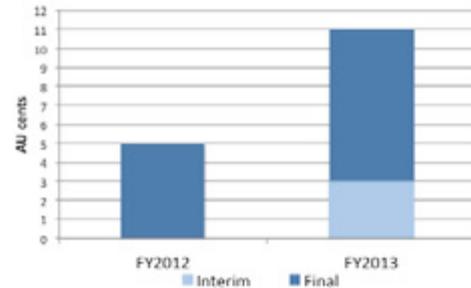
## Maintain strong performance



## 85 + partners globally



## Regional contribution



## Dividends (AU cents)

## What We Do!

Vision: Altium enables engineers to design and build intelligent products to make for a better world

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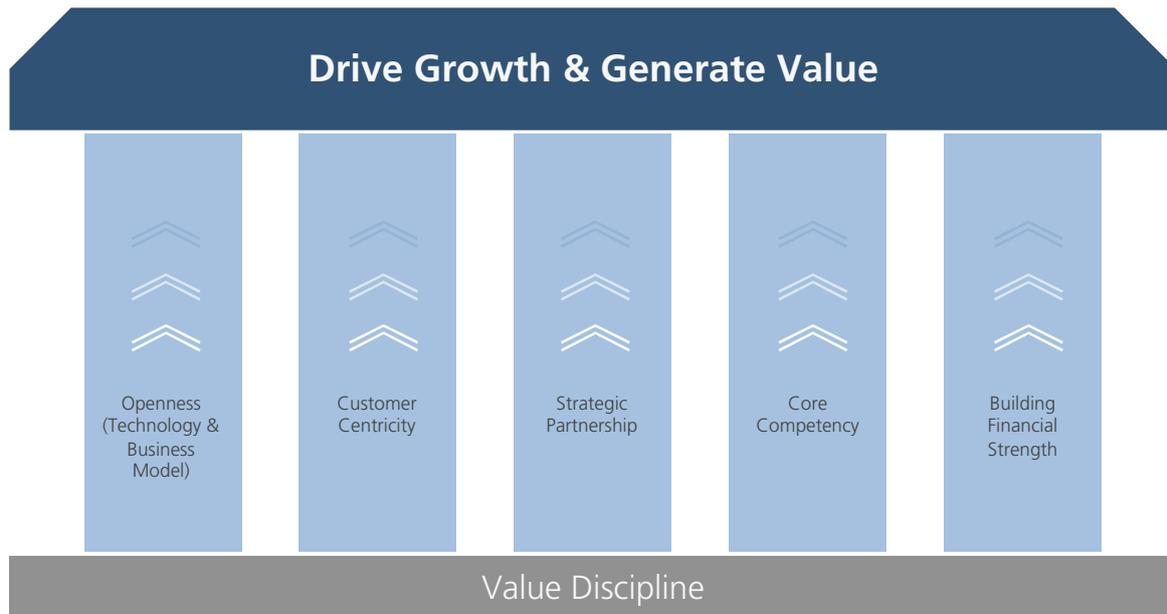


## Our Corporate Strategy

- Rolling 3 year strategic plan to drive growth & generate value
- Focus remains on 5 key areas (as highlighted in our March Investor presentation)

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## Diversity of Applications & Customer Profile

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Altium tools are widely used in a variety of industries worldwide



Aerospace & Defense



Electronics & High-Tech



Life Sciences



Automotive



Consumer Electronics



Semiconductors



Industrial Controls & Automation



Computers



Mobile Devices & Communications



Research & Education

# FY 2013 Financial Highlights

## Maintain strong sales

- Sales up 13% to \$69m
- Revenue up 12% to \$62m

## Maintain discipline in cost management

- Operating Expenses\* held flat to previous years

## Maintain margin expansion

- Underlying profit\* up 48% from \$13m to \$20m
- EBITDA up 100+% to \$5.9m

## Maintain strong balance sheet

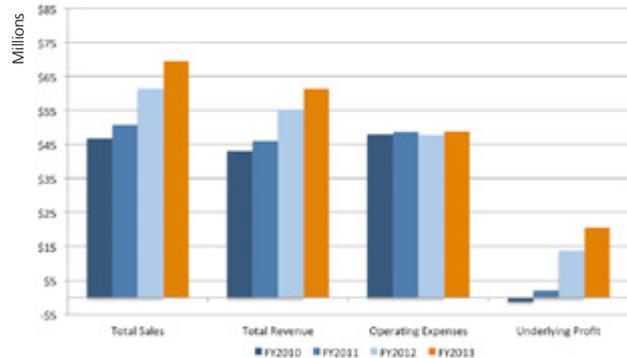
- \$14m cash and no debt
- Operating cash flow up 44% to \$12m

## Maintain focus on Corporate Strategy to build financial strength

- Unfranked final FY13 dividend of AU 8 cents/share
- Interim FY13 dividend of AU 3 cents/share

\* Operating expenses & underlying profit excludes one-off costs and non-cash expenses as reported

## Maintain strong performance



## Summary - Disciplined Margin Expansion

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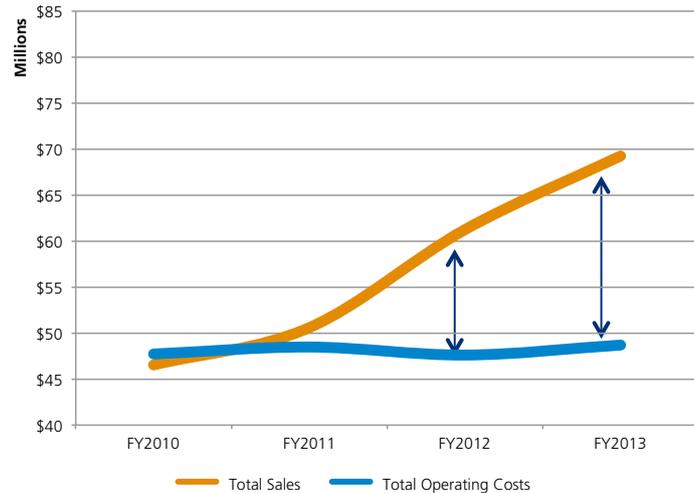
### Sales discipline

- Increasing sales capacity to extend growth into addressable market
- Discipline in product development

### Financial discipline

- Altium's growth strategy remains clear and consistent
- Focus on core competency
- Value discipline – growth only pursued if financial and strategic principles as well as return criteria are satisfied

### Maintain Margin Expansion Discipline



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### Financial data

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

### Future performance

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### Past performance

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***Altium***