

# ***DELIVERING APPLICATION SOLUTIONS THAT ENHANCE THE END USER EXPERIENCE***

4<sup>th</sup> Quarter 2014

### **Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995**

This presentation contains statements that are forward-looking including statements relating to the size of the total addressable market for our products and services, the compound annual growth rate for mobile market sectors, expectations relating to our new products, the time to market for various of our product innovations, expectations relating to our product innovations, our anticipated platform silicon roadmap and the expected timeline related to such roadmap, opportunities for our pipeline and our positioning for long-term, sustainable revenue growth, the benefits of our mobile-specific programmable logic to customers, the benefits of our solutions platforms, our plans with respect to new product revenue growth, our long-term target operating model, our projections related to our revenue, gross margin, expenses, operating income, net income and earnings per share. These forward-looking statements involve risks and uncertainties including but not limited to expectations relating to production targets for our New Products, revenue growth from our new products, our design activity and our ability to convert new design opportunities into customer activity, market acceptance of our customers' products and our expected results. In addition to U.S. GAAP financials, this presentation includes certain non-GAAP financial measures. These historical and forward-looking non-GAAP measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. QuickLogic's future results could differ materially from the results described in these forward-looking statements. These and other risk factors are detailed in QuickLogic's periodic reports and registration statements filed with the Securities and Exchange Commission. QuickLogic expressly disclaims any obligation to update or revise any forward-looking statements found herein to reflect any changes in Company expectations or results or any change in events.

# CORPORATE BACKGROUND

## Large, High Growth Markets

- Smartphones, Wearables, Tablets and Mobile Enterprise
- TAM 1.6B+ units in 2017
- CAGR 10%+

## Top Tier Customer Adoption



## Disruptive Technology

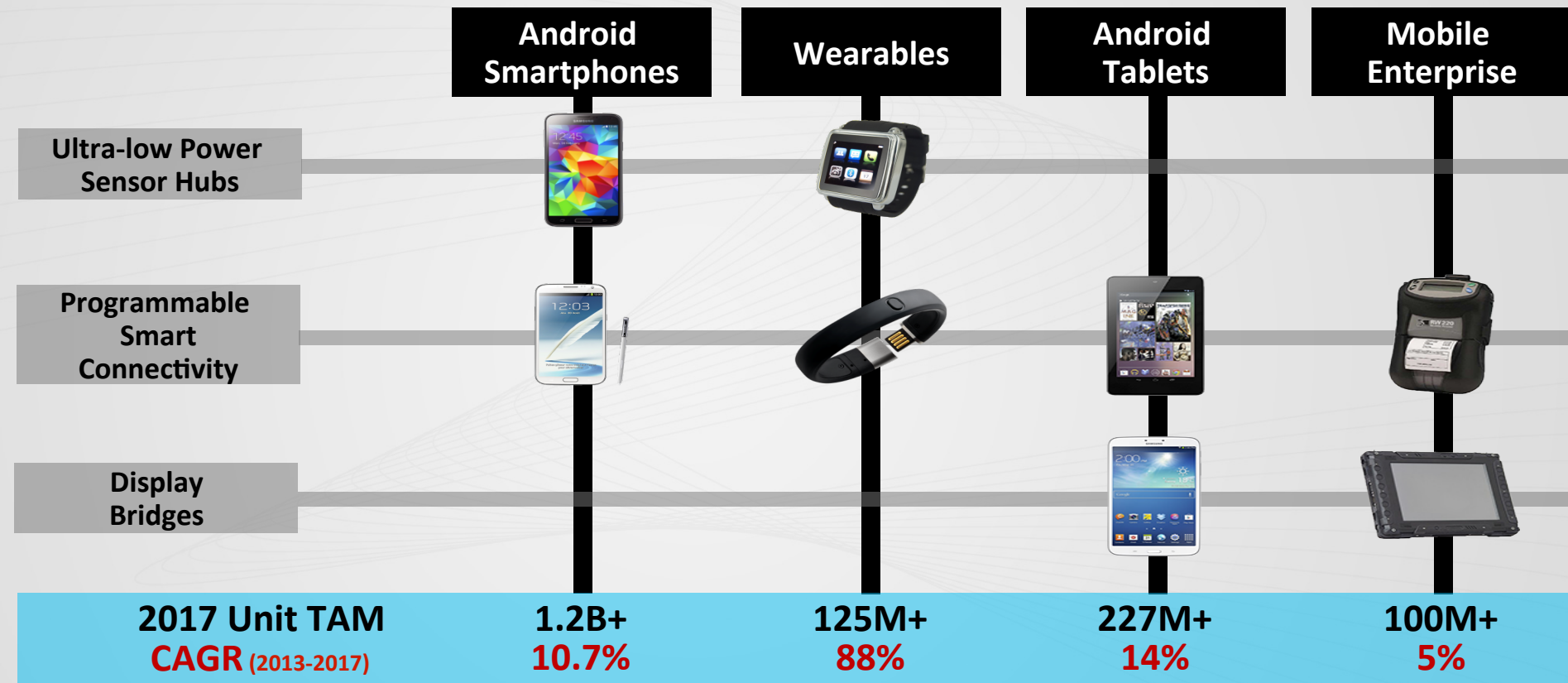
- Mobile-specific ultra-low power, in-system reprogrammable & instant-on, non-volatile architectures
- Hard logic building blocks for scalable approach

## Strong Ecosystem



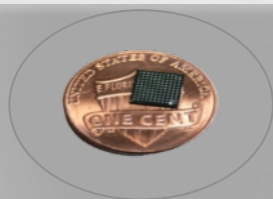
## Corporate

- NASDAQ: QUIK, HQ in Silicon Valley; R&D: Sunnyvale, Bangalore, Toronto
- Field Sales and Support: South Korea, Japan, China, Taiwan, UK
- Employees – 97; Technical Staff – 53



Sources: IDC February 2014 (Smartphone), IDC December 2013 (Tablets), Strategy Analytics November 2013 (Wearables), and Company Estimates (Mobile Enterprise)

# SCALABLE BUSINESS STRATEGY



## CASP

- Customer Specific
- Enables OEM System Differentiation
- Fastest TTM for custom solution
- Design Agility
- One Design → One OEM



## Catalog CASP Solutions

- Application Specific
- Architected, developed and verified with Application Processor vendors
- Ready-to-integrate solution
- One design → Multiple OEMs



## Sensor Qualified Vendor List

amw

BOSCH

ST

ANALOG  
DEVICES

InvenSense

muRata

## Processor Qualified Vendor List

BROADCOM

MARVELL

MEDIATEK

QUALCOMM

NORDIC  
SEMICONDUCTOR

SAMSUNG

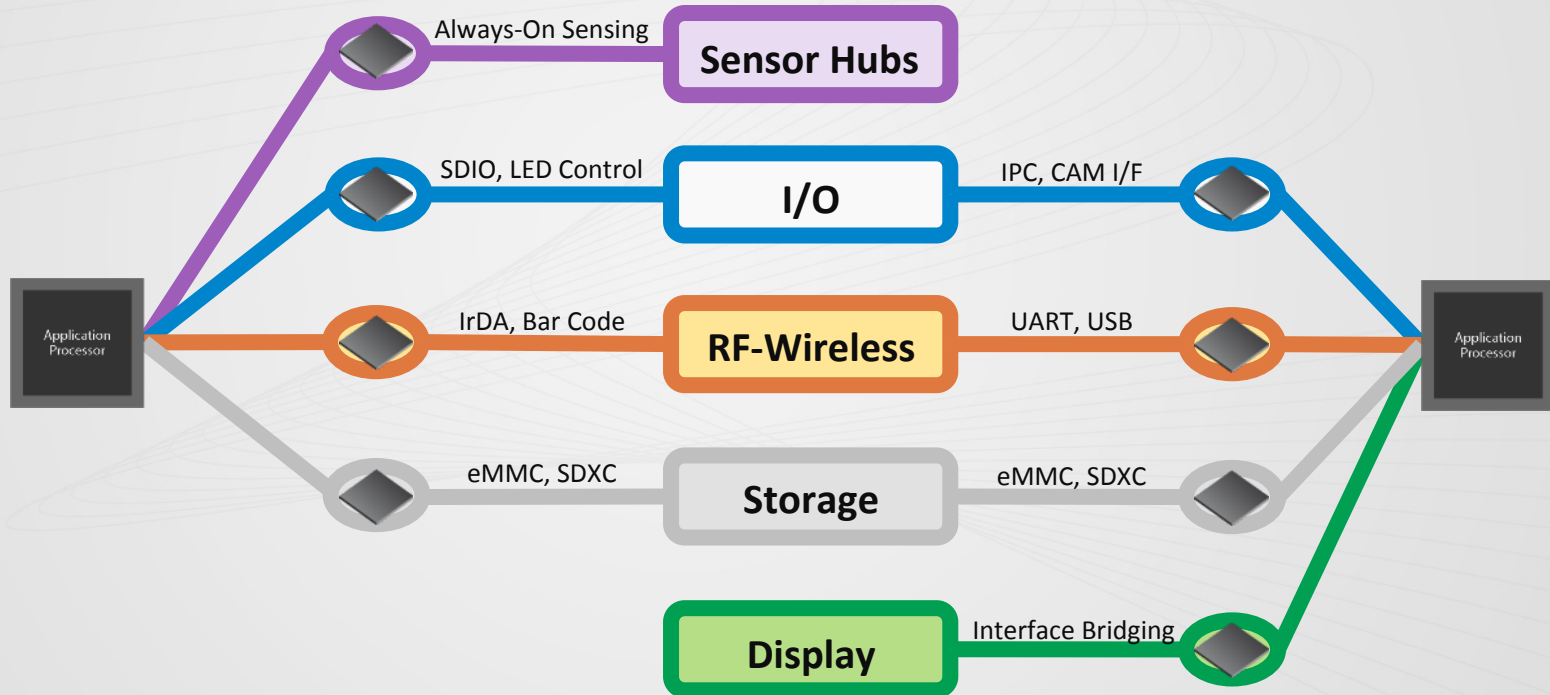
TEXAS  
INSTRUMENTS



# QUICKLOGIC OFFERS THE BEST OF BOTH WORLDS

In-system, Reprogrammable Logic

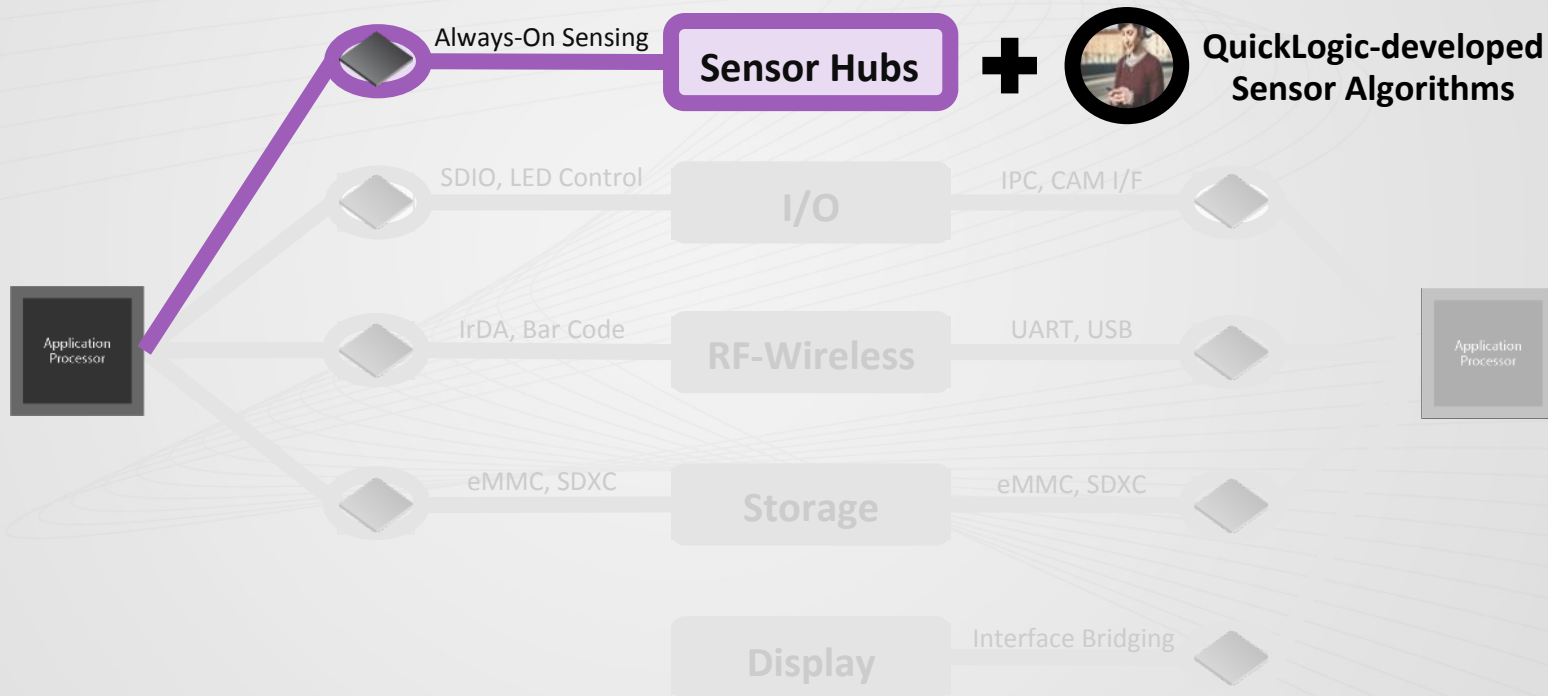
Non-volatile,  
Instant-on Programmable Logic



# HARDWARE AND ALGORITHMS ARE ONLY THE START

**In-system, Reprogrammable Logic**

**Non-volatile,  
Instant-on Programmable Logic**



# QUICKLOGIC-DEVELOPED SENSOR ALGORITHMS

- Our roadmap includes algorithms for activity, gesture, location, and transport contexts; additional algorithms are under development but not shown

## User Activity



Stationary



Walking



Running



Cycling



On Stairs

## User Gesture



Tap-to-wake



Rotate-to-wake



Optical Gesture



Double Tap



Raise and  
Double Tap Back

## Device Location and Transport



Device in Pocket



Device Not on Person



Accidental Drop



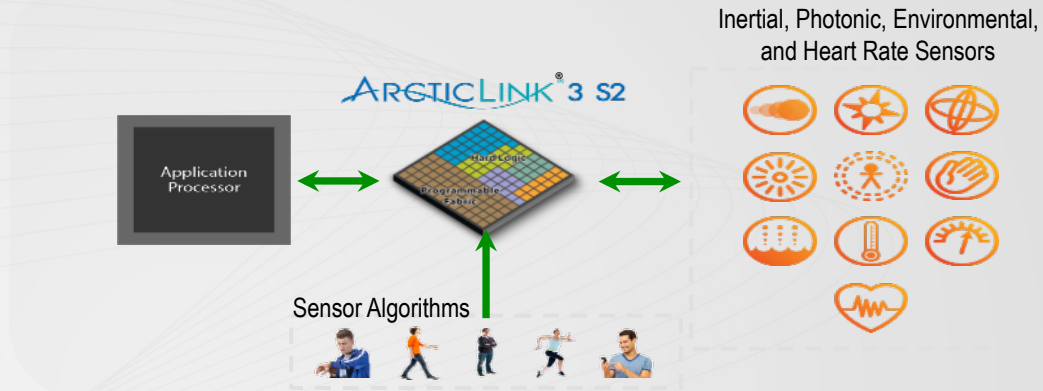
In Elevator



In Vehicle



# SENSOR HUB IMPLEMENTATIONS

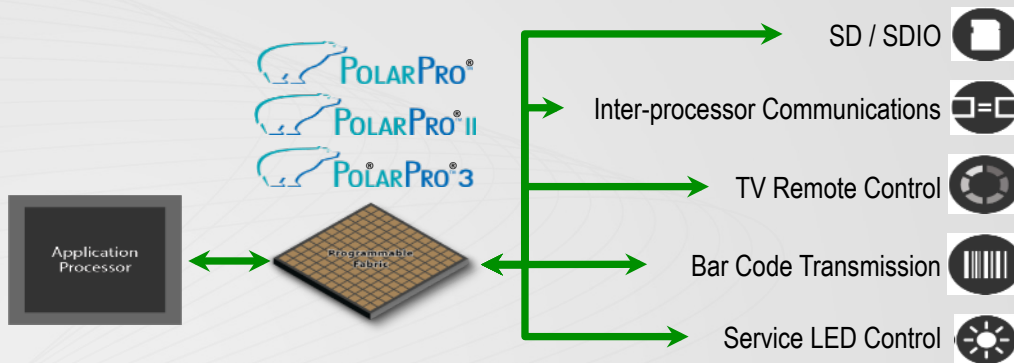


ArcticLink 3 Ultra-low Power Sensor Hubs provide Always-on Context Awareness at 150μW, with sensor sub-system power consumption as low as 1/10 that of competing technologies

Enables OEMs with next-generation fitness, wellness, gaming, and indoor navigation applications

QuickLogic's ability to offer internally-developed hardware, sensor algorithms, and software (including drivers & algorithm development/simulation tools) is a distinct competitive advantage

# SMART CONNECTIVITY IMPLEMENTATIONS

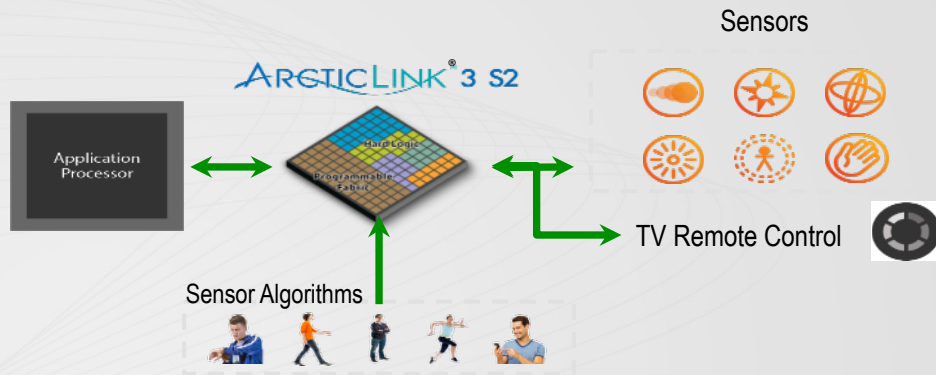


The PolarPro solution platform offers both in-system reprogrammable and instant-on devices to meet the varying needs of smartphone, tablet, wearable, and mobile enterprise OEMs

Support for all commonly-used mobile programmable fabric technologies such as interface bridging, Inter-processor Communications, SD/SDIO, PWM, SPI, eMMC, UART, and many others

Superior logic cell utilization allows denser implementations, enabling more technology per PCB space required, or the same technology implementation in less PCB space

# SENSOR HUB + SMART CONNECTIVITY



The ArcticLink 3 S2 solution has double the customer-specific programmable logic capacity, allowing implementation of both sensor hub and connectivity functions on a single device

Dual-purpose devices lessen PCB space requirements and lower BOM costs for OEMs, and make the QuickLogic device even more integral to the system design

Applications include sensor hub + IR remote control for smartwatches, sensor hub + service LED control for wearables, sensor hub + bar code transmission for smartphones, and more

## ULTRA-LOW POWER SENSOR HUB



## SMART CONNECTIVITY



## DISPLAY AND VIDEO ENHANCEMENT



Production



Sampling

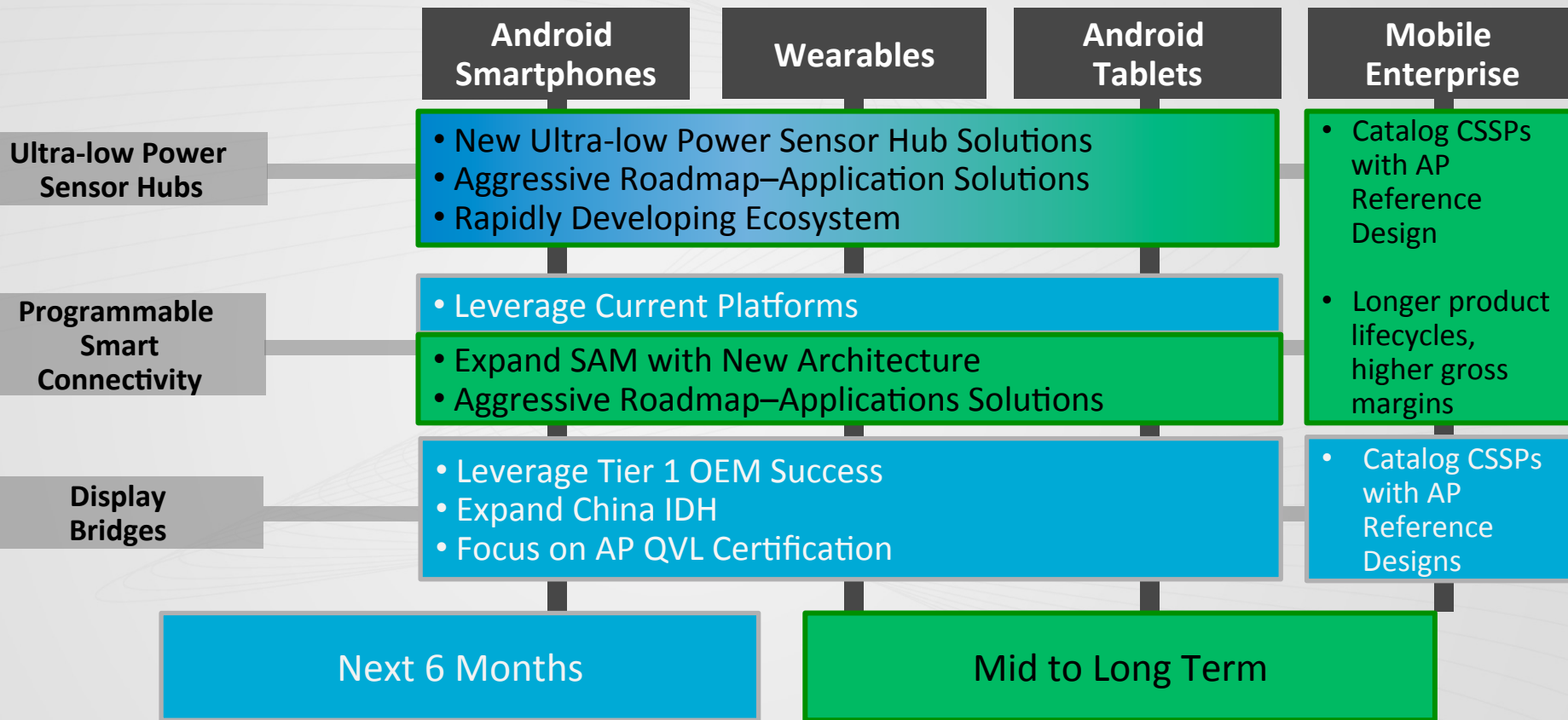


Development

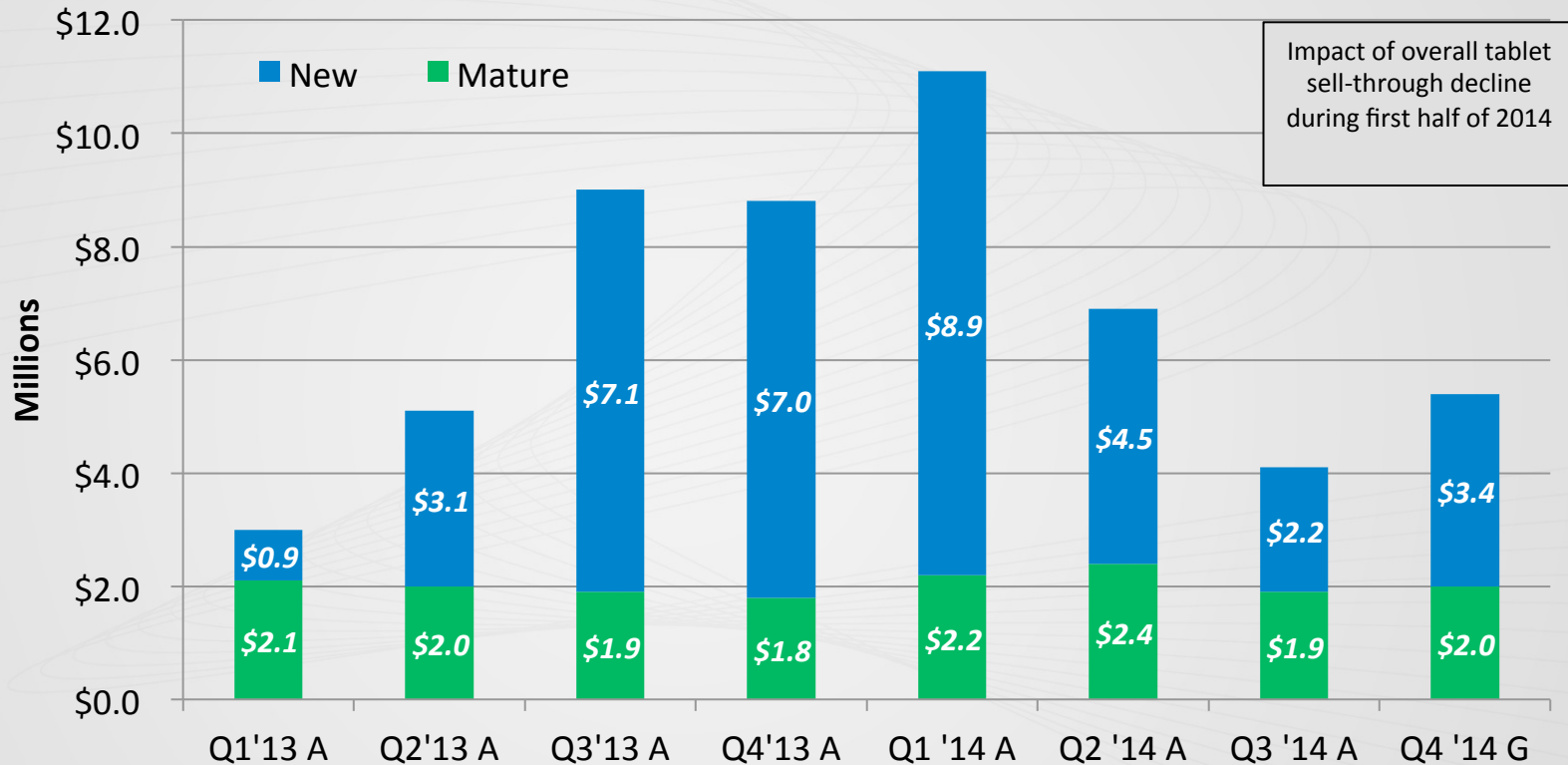


Exploring

# SOLUTIONS FOR LARGE, HIGH-GROWTH MOBILE MARKETS

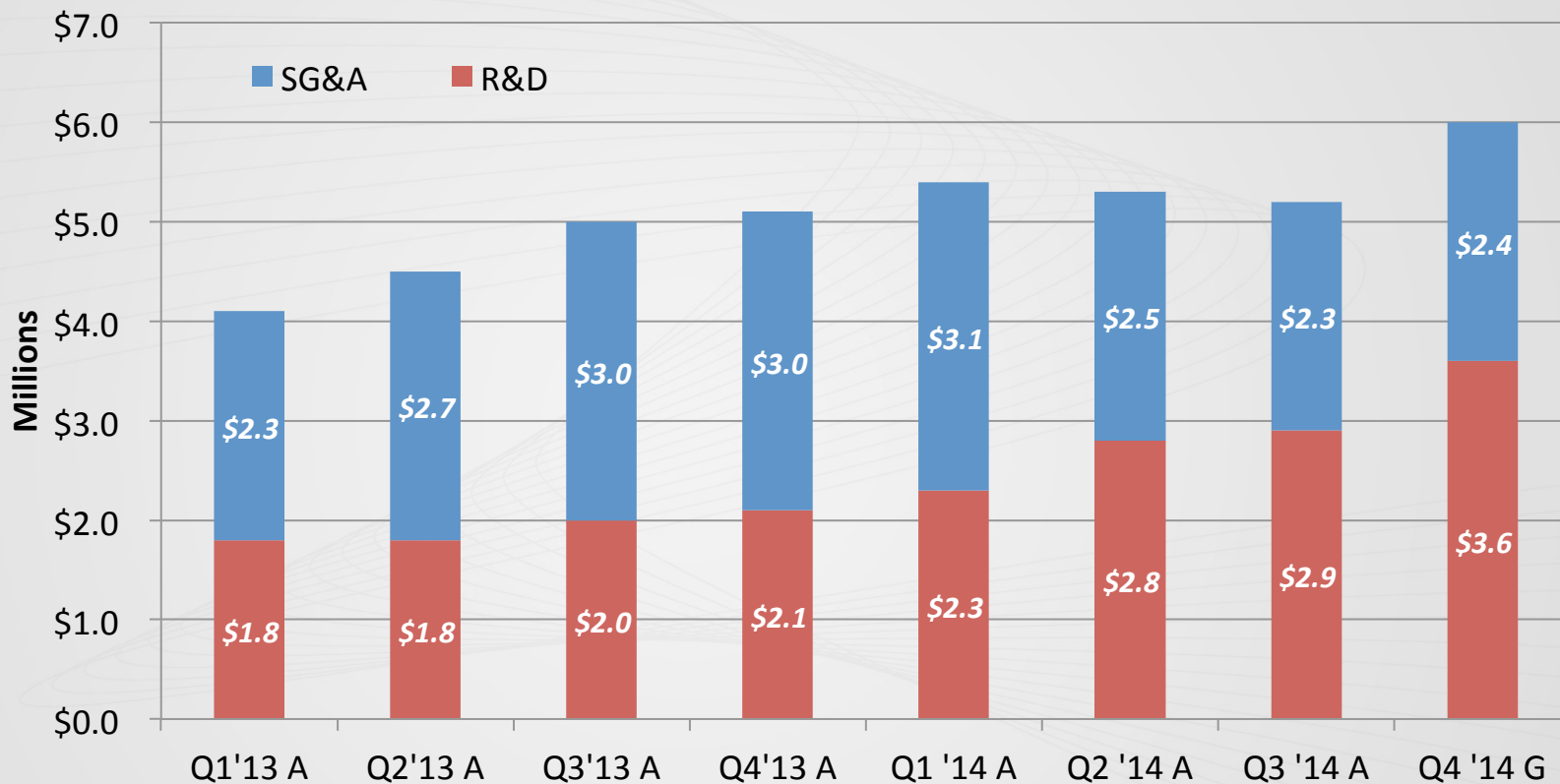






Non-GAAP Results Millions (except for EPS)	FY13 Actual	Q1 '14 Actual	Q2'14 Actual	Q3'14 Actual	Q4'14 Guidance
New Product Revenue	\$18.2	\$8.9	\$4.5	\$2.2	\$3.4
Mature Revenue	\$7.9	\$2.2	\$2.3	\$1.9	\$2.0
Total Revenue	\$26.1	\$11.2	\$6.8	\$4.1	\$5.4
Gross Margin %	35%	37%	45%	44%	45%
Research & Development	\$7.7	\$2.3	\$2.8	\$2.9	\$3.6
SG&A	\$10.9	\$3.1	\$2.5	\$2.3	\$2.4
Total Operating Expense	\$18.6	\$5.4	\$5.3	\$5.2	\$6.0
Operating Income (Loss)	(\$9.5)	(\$1.3)	(\$2.3)	(\$3.4)	(\$3.6)
Net Income (Loss)	(\$9.9)	(\$1.4)	(\$2.3)	(\$3.5)	(\$3.6)
EPS	(\$0.22)	(\$0.03)	(\$0.04)	(\$0.06)	(\$0.06)

# NON-GAAP OPERATING EXPENSE TREND



Targets	Mid Term	Long Term
Revenue Growth	Revenue Growth Expectations outpace Spending Growth	
Gross Margin *	Trending to Long Term Model	50%
Operating Margin *	NA	10%+
Cash Flow	Cash Burn Decreasing	Positive Cash Flow

\* Non-GAAP Measures

**NOTE:** These projections are subject to a number of assumptions, risks, uncertainties and other factors that may cause our actual results to differ materially from such projections

(Millions)	FY13 Actual	Q1'14 Actual	Q2'14 Actual	Q3'14 Actual
Cash	\$37.4	\$37.1	\$34.3	\$31.2
Current Assets (less cash)	\$8.7	\$9.5	\$10.7	\$9.5
Total Current Assets	\$46.1	\$46.6	\$45.0	\$40.7
<b>Total Assets</b>	<b>\$49.1</b>	<b>\$49.4</b>	<b>\$48.3</b>	<b>\$43.9</b>
Total Current Liabilities	\$8.3	\$6.3	\$6.0	\$3.8
<b>Total Liabilities *</b>	<b>\$8.5</b>	<b>\$6.6</b>	<b>\$6.2</b>	<b>\$5.1</b>
<b>Shareholders Equity</b>	<b>\$40.6</b>	<b>\$42.8</b>	<b>\$42.1</b>	<b>\$38.8</b>

Capitalization Table Highlights		
Common Stock Outstanding	55.8M	as of 9/28/2014
Market Cap	\$169M	as of 9/28/2014 (200 day avg price \$3.03)
Options Outstanding	5.6M	as of 9/28/2014 (weighted avg price \$2.55)
RSUs Outstanding	0.3M	as of 9/28/2014
Warrants	1.9M	@ \$2.15, expire 5/2015
Warrants	2.3M	@ \$2.98, expire 6/2017
Total Warrants Outstanding	4.2M	as of 9/28/2014

\* Include \$1M borrowing from SVB \$10M Line of Credit