


Sercomm Corporation

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Sercomm Announces 1Q 2016 Financial Results

Taipei, Taiwan, 4th May 2016- Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipments, today announced financial results for the first quarter of year 2016.

On consolidated basis, net sales for the first quarter of year 2016 were NT\$8.81 billion, which represents a 39% increase over NT\$6.35 billion for 1Q'15. Operating profit for 1Q 2016 were NT\$349 million which represents an 87% year-over-year increase over NT\$187 million for 1Q'15. Income before tax were NT\$351 million and net income attributable to shareholders of the parent were NT\$282 million for 1Q'16, which also represent 74% and 68% year-over-year increase respectively.

Based on 242 million weighted average shares, earnings per share (EPS) were reported as NT\$1.17 for the 1st quarter of 2016.

Table 1: 1Q 2016 Statement of Comprehensive Income

(In NT\$MN)	2016		2015		Change
	1Q	%	1Q	%	
Net Revenue	8,810	100.0%	6,347	100.0%	38.8%
Cost of Goods Sold	7,573	86.0%	5,483	86.4%	38.1%
Gross Profit	1,237	14.0%	864	13.6%	43.2%
Operating Expenses	888	10.0%	677	10.7%	31.2%
Operating Profit	349	4.0%	187	2.9%	86.6%
Non-operating Income & Expenses	2	0.0%	15	0.2%	-86.7%
Income before Tax	351	4.0%	202	3.1%	73.8%
Net Income Attributable to Shareholders of the Parent	282	3.2%	168	2.6%	67.9%
EPS (NTD\$1)*	1.17		0.73		

* Based on weighted average shares: 241,827 thousand shares for 1Q 2016 and 230,278 thousand shares for 1Q 2015

Table 2: Consolidated Balance Sheet

(In NT\$MN)	March 31, 2016		March 31, 2015	
	Amount	%	Amount	%
Cash Equivalents	6,829	31.1%	5,221	27.0%
A/R	4,928	22.4%	5,090	26.3%
Inventory	5,032	22.9%	4,173	21.6%
Other Current Assets	737	3.4%	832	4.2%
Non-current Assets	4,428	20.2%	4,047	20.9%
Total Assets	21,954	100.0%	19,363	100.0%
Loan	2,355	10.7%	3,082	15.9%
A/P	8,811	40.1%	7,021	36.3%
Leasehold Payable	152	0.7%	166	0.9%
Corporate Bonds Payable	0	0.0%	251	1.3%
Other Payable & Liabilities	3,504	16.0%	2,379	12.3%
Total Liabilities	14,822	67.5%	12,899	66.7%
Total Equity	7,132	32.5%	6,464	33.3%

About Sercomm Corporation

Sercomm Corporation is a worldwide leading manufacturer of broadband and wireless networking equipments. Founded in 1992, Sercomm has been focusing on developing embedded solutions to make networking simple and affordable. Headquartered in Taipei, Taiwan, Sercomm's global operation network covers markets of North America, Europe and Asia Pacific, and its customer base includes the world's top ODMs, telecommunication vendors and system integrators. Listed on Taiwan Stock Exchange (TWSE:5388), Sercomm posted sales revenue of NT\$35.01 BN in 2015 (approximately US\$1.1 BN). For more information, please visit www.sercomm.com

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