



## Sercomm Corporation

8F, No. 3-1, YuanQu St. (Nankang Software Industry Park) Taipei 115, Taiwan

Tel: 886-2-26553988 | Fax: 886-2-66158898 | <http://www.sercomm.com>

## Sercomm Announces Full Year 2014 Financial Results

Taipei, Taiwan, 11<sup>th</sup> March 2015 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of broadband and wireless networking equipments, today announced financial results for the fourth quarter and full year 2014.

On consolidated basis, net sales for 2014 were reported as NT\$23.19 billion, which represents a 22% increase over NT\$19.08 billion for year 2013. Operating profit for 2014 were NT\$1.18 billion, which represents a 35% year-over-year increase over NT\$872 million for 2013. Net income for 2014 were NT\$949 million, which also represents a 12% increase compared to NT\$845 million for 2013. Based on 225 million weighted average shares, earnings per share (EPS) for year 2014 were reported as NT\$4.21.

Consolidated net sales for the fourth quarter of year 2014 were NT\$6.35 billion, which represents a 32% increase compared to NT\$4.8 billion for 4Q'13. Operating profit for 4Q'14 were NT\$307 million, which represents a 13% year-over-year increase over NT\$271 million for the fourth quarter of year 2013. Net income for 4Q'14 were NT\$254 million, which also represents a 14% increase compared to NT\$222 million for 4Q'13. Based on 225 million weighted average shares, EPS were reported as NT\$1.11 for the 4th quarter of year 2014.

**Table 1: Cumulative Statement of Comprehensive Income**

(In NT\$MN)	2014		2013		Change
	Amount	%	Amount	%	
Net Revenue	23,193	100.0%	19,077	100.0%	21.6%
Cost of Goods Sold	19,538	84.2%	16,007	83.9%	22.1%
Gross Profit	3,655	15.8%	3,070	16.1%	19.1%
Operating Expenses	2,475	10.7%	2,198	11.5%	12.6%
Operating Profit	1,180	5.1%	872	4.6%	35.3%
Non-operating Income & Expenses	9	0.0%	152	0.8%	-94.1%
Income before Tax	1,189	5.1%	1,024	5.4%	16.1%
Net Income	949	4.1%	845	4.4%	12.3%
EPS (NTD\$1)*	4.21		4.19		

\* Based on weighted average shares: 225,449 thousand shares for 2014 and 201,730 thousand shares for 2013

**Table 2: 4Q 2014 Statement of Comprehensive Income**

(In NT\$MN)	4Q 2014		4Q 2013		Change
	Amount	%	Amount	%	
Net Revenue	6,354	100.0%	4,802	100.0%	32.3%
Cost of Goods Sold	5,403	85.0%	3,941	82.1%	37.1%
Gross Profit	951	15.0%	861	17.9%	10.5%
Operating Expenses	644	10.1%	590	12.3%	9.2%
Operating Profit	307	4.9%	271	5.6%	13.3%
Non-operating Income & Expenses	44	0.7%	-3	0.0%	1566.7%
Income before Tax	351	5.6%	268	5.6%	31.0%
Net Income	254	4.0%	222	4.6%	14.4%
EPS (NTD\$1)*	1.11		1.10		

\* Based on weighted average shares: 225,449 thousand shares for 2014 and 201,730 thousand shares for 2013

**Table 3: Balance Sheet**

(In NT\$MN)	December 31, 2014		December 31, 2013	
	Amount	%	Amount	%
Cash Equivalents	5,224	29.0%	3,813	28.5%
A/R	4,412	24.5%	2,626	19.6%
Inventory	3,629	20.2%	2,634	19.7%
Other Current Assets	648	3.6%	399	3.0%
Non-current Assets	4,075	22.7%	3,921	29.2%
Total Assets	17,988	100.0%	13,393	100.0%
Loan	2,542	14.1%	986	7.4%
A/P	6,573	36.6%	4,622	34.5%
Leasehold Payable	169	0.9%	183	1.4%
Corporate Bonds Payable	289	1.6%	1,008	7.5%
Other Payable & Liabilities	2,356	13.1%	1,866	13.9%
Total Liabilities	11,929	66.3%	8,665	64.7%
Total Equity	6,059	33.7%	4,728	35.3%

**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 OEMs, telecommunication vendors and system integrators. Listed on Taiwan Stock Exchange (TWSE:5388), Sercomm posted sales revenue of NT\$23.19 BN in 2014 (approximately US\$763 MN). For more information, please visit [www.sercomm.com](http://www.sercomm.com)

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**Investor Relations Contact**

Charlton Chen  
Spokesperson  
Phone : 886-2-2655-3988  
Fax : 886-2-6615-8898

Grace Liao  
Investor Relations Manager  
Phone: 886-2-2655-3988 ext. 2103  
Fax : 886-2-6615-8898  
Email : [ir@sercomm.com](mailto:ir@sercomm.com)