


**Sercomm Corporation**

8F, No. 3-1, YuanQu St. (Nankang Software Industry Park) Taipei 116, Taiwan  
Tel: 886-2-26553988 | Fax: 886-2-66168898 | <http://www.sercomm.com>

## Sercomm Announces 3<sup>rd</sup> Quarter Financial Results

Taipei, Taiwan, 3<sup>rd</sup> November 2017 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipments today announced financial results for the third quarter of year 2017.

On consolidated basis, net sales for the third quarter of year 2017 were NT\$10.52 billion, which represents a 13% increase compared to NT\$9.3 billion for 2Q'17. Operating profit for 3Q'17 were NT\$458 million, which represents a 27% quarter-over-quarter increase over NT\$360 million for the second quarter of year 2017. Net income attributable to owners of parent for 3Q'17 were NT\$389 million, which also represents a 22% increase compared to NT\$318 million for the 2Q 2017. Based on 243 million weighted average shares, EPS were reported as NT\$1.60 for the 3rd quarter of year 2017.

Consolidated net sales from January to September of year 2017 were reported as NT\$28.15 billion, which represents a 2% increase over NT\$27.56 billion for the same period of 2016. Sales of 3Q'17 and first three quarters both set the Company's new sales record. Operating profit and net income attributable to owners of parent for the first three quarters of 2017 were NT\$1.09 billion and NT\$936 million, respectively. Based on 243 million weighted average shares, earnings per share (EPS) for the first three quarters of year 2017 were reported as NT\$3.85.

**Table 1: 3Q 2017 Statement of Comprehensive Income**

(In NT\$MN)	3Q 2017		2Q 2017		Change
	Amount	%	Amount	%	
Net Revenue	10,524	100.0%	9,299	100.0%	13.2%
Cost of Goods Sold	9,150	86.9%	8,096	87.0%	13.0%
Gross Profit	1,374	13.1%	1,203	13.0%	14.2%
Operating Expenses	916	8.7%	843	9.1%	8.7%
Operating Profit	458	4.4%	360	3.9%	27.2%
Non-operating Income & Expenses	15	0.1%	8	0.1%	87.5%
Income before Tax	473	4.5%	368	4.0%	28.5%
Net Income Attributable to Owners of Parent	389	3.7%	318	3.4%	22.3%
EPS (NTD\$1)*	1.60		1.31		

\* Based on weighted average shares: 242,920 thousand shares for Q3 2017 and 242,920 thousand shares for Q2 2017

**Table 2: Cumulative Statement of Comprehensive Income**

(In NT\$MN)	JAN.-SEP.'17		JAN.-SEP.'16		Change
	Amount	%	Amount	%	
Net Revenue	28,151	100.0%	27,563	100.0%	2.1%
Cost of Goods Sold	24,485	87.0%	23,594	85.6%	3.8%
Gross Profit	3,666	13.0%	3,969	14.4%	-7.6%
Operating Expenses	2,579	9.1%	2,672	9.7%	-3.5%
Operating Profit	1,087	3.9%	1,297	4.7%	-16.2%
Non-operating Income & Expenses	37	0.1%	-3	0.0%	1333.3%
Income before Tax	1,124	4.0%	1,294	4.7%	-13.1%
Net Income Attributable to Owners of Parent	936	3.3%	1,047	3.8%	-10.6%
EPS (NTD\$1)*	3.85		4.32		

\* Based on weighted average shares: 242,920 thousand shares for Jan.-Sep. 2017 and 242,557 thousand shares for Jan.-Sep. 2016

**Table 3: Balance Sheet**

(In NT\$MN)	September 30, 2017		September 30, 2016	
	Amount	%	Amount	%
Cash Equivalents	5,937	24.5%	5,622	25.7%
A/R	7,276	30.0%	6,245	28.5%
Inventory	6,006	24.7%	4,870	22.3%
Other Current Assets	746	3.1%	839	3.8%
Non-current Assets	4,301	17.7%	4,316	19.7%
Total Assets	24,266	100.0%	21,892	100.0%
Loan	2,606	10.7%	2,193	10.0%
A/P	10,960	45.2%	9,164	41.9%
Leasehold Payable	131	0.5%	149	0.7%
Other Payable & Liabilities	3,758	15.5%	3,610	16.4%
Total Liabilities	17,455	71.9%	15,116	69.0%
Total Equity	6,811	28.1%	6,776	31.0%

**About Sercomm Corporation**

Sercomm Corporation is a worldwide leading manufacturer of telecom and broadband equipment. Founded in 1992, Sercomm has focused 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 the Asia Pacific region, 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\$36.7 BN in 2016 (approximately US\$1.14 BN). For more information, please visit [www.sercomm.com](http://www.sercomm.com)

**Investor Relations Contact**

Charlton Chen  
Spokesperson  
Phone : 886-2-2655-3988  
Email : ir@sercomm.com

Grace Liao  
Investor Relations Manager  
Phone: 886-2-2655-3988 ext. 2103  
Email : ir@sercomm.com