


**Sercomm Corporation**

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**Sercomm Announces Full Year 2015 Financial Results**

Taipei, Taiwan, 23<sup>th</sup> March 2016 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of telecom and broadband equipments, today announced financial results for the fourth quarter and full year 2015.

On consolidated basis, net sales for 2015 were reported as NT\$35.01 billion, which represents a 51% increase over NT\$23.19 billion for year 2014. Operating profit for 2015 were NT\$1.67 billion, which represents a 41% year-over-year increase over NT\$1.18 billion for 2014. Net income attributable to owners of parent for 2015 were NT\$1.31 billion, which also represents a 38% increase compared to NT\$949 million for 2014. Based on 234 million weighted average shares, earnings per share (EPS) for year 2015 were reported as NT\$5.57.

Consolidated net sales for the fourth quarter of year 2015 were NT\$9.69 billion, which represents a 53% increase compared to NT\$6.35 billion for the fourth quarter of year 2014. Operating profit for 4Q'15 were NT\$485 million, which represents a 58% year-over-year increase over NT\$307 million for 4Q'14. Net income attributable to owners of parent for 4Q'15 were NT\$366 million, which also represents a 44% increase compared to NT\$254 million for 4Q'14. Based on 234 million weighted average shares, EPS were reported as NT\$1.56 for the 4th quarter of year 2015.

**Table 1: 2015 Statement of Comprehensive Income**

| (In NT\$MN)                                 | 2015   |        | 2014   |        | Change   |
|---|--------|--------|--------|--------|----------|
|   | Amount | %      | Amount | %      |          |
| Net Revenue                                 | 35,012 | 100.0% | 23,193 | 100.0% | 51.0%    |
| Cost of Goods Sold                          | 30,028 | 85.8%  | 19,538 | 84.2%  | 53.7%    |
| Gross Profit                                | 4,984  | 14.2%  | 3,655  | 15.8%  | 36.4%    |
| Operating Expenses                          | 3,319  | 9.5%   | 2,475  | 10.7%  | 34.1%    |
| Operating Profit                            | 1,665  | 4.7%   | 1,180  | 5.1%   | 41.1%    |
| Non-operating Income & Expenses             | -82    | -0.2%  | 9      | 0.0%   | -1011.1% |
| Income before Tax                           | 1,583  | 4.5%   | 1,189  | 5.1%   | 33.1%    |
| Net Income Attributable to Owners of Parent | 1,305  | 3.7%   | 949    | 4.1%   | 37.5%    |
| EPS (NTD\$1)*                               | 5.57   |        | 4.21   |        |          |

\* Based on weighted average shares: 234,080 thousand shares for 2015 and 225,449 thousand shares for 2014

**Table 2: 4Q 2015 Statement of Comprehensive Income**

| (In NT\$MN)                                 | 4Q 2015 |        | 4Q 2014 |        | Change  |
|---|---------|--------|---------|--------|---------|
|   | Amount  | %      | Amount  | %      |         |
| Net Revenue                                 | 9,688   | 100.0% | 6,354   | 100.0% | 52.5%   |
| Cost of Goods Sold                          | 8,253   | 85.2%  | 5,403   | 85.0%  | 52.7%   |
| Gross Profit                                | 1,435   | 14.8%  | 951     | 15.0%  | 50.9%   |
| Operating Expenses                          | 950     | 9.8%   | 644     | 10.1%  | 47.5%   |
| Operating Profit                            | 485     | 5.0%   | 307     | 4.9%   | 58.0%   |
| Non-operating Income & Expenses             | -43     | -0.4%  | 44      | 0.7%   | -197.7% |
| Income before Tax                           | 442     | 4.6%   | 351     | 5.6%   | 25.9%   |
| Net Income Attributable to Owners of Parent | 366     | 3.8%   | 254     | 4.0%   | 44.1%   |
| EPS (NTD\$1)*                               | 1.56    |        | 1.11    |        |         |

\* Based on weighted average shares: 234,080 thousand shares for 2015 and 225,449 thousand shares for 2014

**Table 3: Balance Sheet**

| (In NT\$MN)                 | December 31, 2015 |        | December 31, 2014 |        |
|-----------------------------|-------------------|--------|-------------------|--------|
|                             | Amount            | %      | Amount            | %      |
| Cash Equivalents            | 5,365             | 23.8%  | 5,224             | 29.0%  |
| A/R                         | 6,528             | 29.0%  | 4,412             | 24.5%  |
| Inventory                   | 5,369             | 23.8%  | 3,629             | 20.2%  |
| Other Current Assets        | 768               | 3.4%   | 648               | 3.6%   |
| Non-current Assets          | 4,498             | 20.0%  | 4,075             | 22.7%  |
| Total Assets                | 22,528            | 100.0% | 17,988            | 100.0% |
| Loan                        | 2,632             | 11.7%  | 2,542             | 14.1%  |
| A/P                         | 9,249             | 41.0%  | 6,573             | 36.6%  |
| Leasehold Payable           | 156               | 0.7%   | 169               | 0.9%   |
| Corporate Bonds Payable     | 59                | 0.3%   | 289               | 1.6%   |
| Other Payable & Liabilities | 3,494             | 15.5%  | 2,356             | 13.1%  |
| Total Liabilities           | 15,590            | 69.2%  | 11,929            | 66.3%  |
| Total Equity                | 6,938             | 30.8%  | 6,059             | 33.7%  |

### 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](http://www.sercomm.com)

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