


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 3rd Quarter Financial Results

Taipei, Taiwan, 13th November 2015 - Sercomm Corporation (TWSE: 5388), a leading manufacturer of broadband and wireless networking equipments, today announced financial results for the third quarter of year 2015.

Consolidated net sales for the third quarter of year 2015 were NT\$10.4 billion, which represents a 69% increase compared to NT\$6.15 billion for 3Q'14. Operating profit for 3Q'15 were NT\$624 million, which represents a 99% year-over-year increase over NT\$314 million for the third quarter of year 2014. Net income for 3Q'15 were NT\$440 million, which also represents an 84% increase compared to NT\$239 million for the same period last year. Based on 234 million weighted average shares, EPS were reported as NT\$1.89 for the 3rd quarter of year 2015.

Cumulatively, consolidated net sales from January to September of year 2015 were reported as NT\$25.32 billion, which represents a 50% increase over NT\$16.84 billion for the first three quarters of 2014. Operating profit for the first three quarters of 2015 were NT\$1,180 million, which represents a 35% year-over-year increase over NT\$873 million for the same period last year. Net income from January to September of year 2015 were NT\$935 million, which also represents a 35% increase compared to NT\$695 million for the same period last year. Based on 234 million weighted average shares, earnings per share (EPS) for the first three quarters of year 2015 were reported as NT\$4.01.

Table 1: 3Q 2015 Statement of Comprehensive Income

(In NT\$MN)	3Q 2015		3Q 2014		Change
	Amount	%	Amount	%	
Net Revenue	10,415	100.0%	6,147	100.0%	69.4%
Cost of Goods Sold	8,862	85.1%	5,222	85.0%	69.7%
Gross Profit	1,553	14.9%	925	15.0%	67.9%
Operating Expenses	929	8.9%	611	9.9%	52.0%
Operating Profit	624	6.0%	314	5.1%	98.7%
Non-operating Income & Expenses	-87	-0.8%	-25	-0.4%	-248.0%
Income before Tax	537	5.2%	289	4.7%	85.8%
Net Income	440	4.2%	239	3.9%	84.1%
EPS (NTD\$1)*	1.89		1.07		

* Based on weighted average shares: 233,901 thousand shares for Q3 2015 and 223,983 thousand shares for Q3 2014

Table 2: Cumulative Statement of Comprehensive Income

(In NT\$MN)	JAN.-SEP.'15		JAN.-SEP.'14		Change
	Amount	%	Amount	%	
Net Revenue	25,324	100.0%	16,839	100.0%	50.4%
Cost of Goods Sold	21,775	86.0%	14,135	83.9%	54.1%
Gross Profit	3,549	14.0%	2,704	16.1%	31.3%
Operating Expenses	2,369	9.4%	1,831	10.9%	29.4%
Operating Profit	1,180	4.6%	873	5.2%	35.2%
Non-operating Income & Expenses	-38	-0.1%	-35	-0.2%	-8.6%
Income before Tax	1,142	4.5%	838	5.0%	36.3%
Net Income	935	3.7%	695	4.1%	34.5%
EPS (NTD\$1)*	4.01		3.10		

* Based on weighted average shares: 233,901 thousand shares for JAN.-SEP. 2015 and 223,983 thousand shares for JAN.-SEP. 2014

Table 3: Balance Sheet

(In NT\$MN)	September 30, 2015		September 30, 2014	
	Amount	%	Amount	%
Cash Equivalents	5,929	25.0%	4,813	29.3%
A/R	6,920	29.2%	3,836	23.4%
Inventory	5,575	23.6%	3,292	20.0%
Other Current Assets	790	3.3%	500	3.1%
Non-current Assets	4,459	18.9%	3,980	24.2%
Total Assets	23,673	100.0%	16,421	100.0%
Loan	3,338	14.1%	2,225	13.5%
A/P	9,995	42.2%	5,951	36.2%
Leasehold Payable	163	0.7%	173	1.2%
Corporate Bonds Payable	68	0.3%	366	2.2%
Other Payable & Liabilities	3,410	14.4%	2,083	12.7%
Total Liabilities	16,974	71.7%	10,798	65.8%
Total Equity	6,699	28.3%	5,623	34.2%

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\$23.19 BN in 2014 (approximately US\$763 MN). For more information, please visit 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