



## Sercomm Corporation

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## Sercomm Announces 4Q'13 and Year 2013 Financial Results

### 2013 Net Profit and EPS Set New Company Record

Taipei, Taiwan, 20<sup>th</sup> February 2014- Sercomm Corporation (TSE: 5388), a leading manufacturer of broadband and wireless networking equipments, today announced financial results for the fourth quarter and full year 2013.

On consolidated basis, net sales for 4Q'13 were NT\$ 4.80 billion, which represents a 12.5% increase over NT\$ 4.27 billion for 4Q'12. Income before tax and net income for 4Q'13 were NT\$ 268 million and NT\$ 222 million, respectively. Based on 202 million weighted average shares, earnings per share (EPS) were reported as NT\$ 1.1 for the 4<sup>th</sup> quarter of 2013.

Cumulatively, consolidated net sales for 2013 were NT\$ 19.08 billion, which represents a 1% decrease over NT\$19.27 billion for year 2012. Income before tax for 2013 were NT\$ 1,024 million, which represents a 9.8% year-over-year increase over NT\$ 933 million for 2012. Net income for 2013 were NT\$ 845 million, which also represents a 12.1% increase compared to NT\$ 754 million for year 2012. Based on 202 million weighted average shares, EPS for year 2013 were reported as NT\$ 4.19.

**Table 1: 2013 Statement of Comprehensive Income (Consolidated)**

(In NT\$MN)	2013		2012		Change
	Amount	%	Amount	%	
Net Revenue	19,077	100.0%	19,268	100.0%	-1.0%
Cost of Goods Sold	16,007	83.9%	16,282	84.5%	-1.7%
Gross Profit	3,070	16.1%	2,986	15.5%	2.8%
Operating Expenses	2,198	11.5%	1,955	10.1%	12.4%
Operating Profit	872	4.6%	1,031	5.4%	-15.4%
Non-operating Income & Expenses	152	0.8%	-98	-0.5%	255.1%
Income before Tax	1,024	5.4%	933	4.9%	9.8%
Net Income	845	4.4%	754	3.9%	12.1%
EPS (NTD\$1)*	4.19		3.90		

\* Based on weighted average shares outstanding: 201,730 thousand shares for 2013 and 193,325 thousand shares for 2012

**Table 2: 4Q 2013 Statement of Comprehensive Income (Consolidated)**

(In NT\$MN)	2013		2012		Change
	4Q	%	4Q	%	
Net Revenue	4,802	100.0%	4,270	100.0%	12.5%
Cost of Goods Sold	3,941	82.1%	3,603	84.4%	9.4%
Gross Profit	861	17.9%	667	15.6%	29.1%
Operating Expenses	590	12.3%	462	10.8%	27.7%
Operating Profit	271	5.6%	205	4.8%	32.2%
Non-operating Income & Expenses	-3	0.0%	-42	-1.0%	92.9%
Income before Tax	268	5.6%	163	3.8%	64.4%
Net Income	222	4.6%	120	2.8%	85.0%
EPS (NTD\$1)*	1.10		0.62		

\* Based on weighted average shares outstanding: 201,730 thousand shares for 4Q 2013 and 193,325 thousand shares for 4Q 2012

**Table 3: 2013 Balance Sheet (Consolidated)**

(In NT\$MN)	Dec. 31, 2013		Dec. 31, 2012	
	Amount	%	Amount	%
Cash Equivalents	3,813	28.5%	4,660	36.0%
A/R	2,626	19.6%	1,835	14.2%
Inventory	2,634	19.7%	2,276	17.6%
Other Current Assets	399	3.0%	549	4.2%
Non-current Assets	3,921	29.2%	3,615	28.0%
Total Assets	13,393	100.0%	12,935	100.0%
Loan	986	7.4%	1,904	14.7%
A/P	4,622	34.5%	4,067	31.4%
Leasehold Payable	183	1.4%	333	2.6%
Corporate Bonds Payable	1,008	7.5%	1,287	10.0%
Other Payable & Liabilities	1,866	13.9%	1,528	11.8%
Total Liabilities	8,665	64.7%	9,119	70.5%
Total Equity	4,728	35.3%	3,816	29.5%

### 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 (TSE:5388), Sercomm posted sales revenue of NT\$19.08 BN in 2013 (approximately US\$636 MN). For more information, please visit [www.sercomm.com](http://www.sercomm.com)

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