



## Sercomm Corporation

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## Sercomm Announces 2<sup>nd</sup> Quarter Financial Results

Taipei, Taiwan, 14<sup>th</sup> August 2013- Sercomm Corporation (TSE: 5388), a leading manufacturer of broadband and wireless networking equipments, today announced financial results for the second quarter and first half of year 2013.

On consolidated basis, net sales for the first half of year 2013 were reported as NT\$9.2 billion, which represents a 2.7% decrease over NT\$9.46 billion for the first half of year 2012. Income before tax for 1H 2013 were NT\$477 million, which represents a 1% year-over-year decrease over NT\$482 million for the same period last year. Net income for 1H'13 were NT\$395 million, which also represents a 0.3% increase compared to NT\$394 million for the 1st half of 2012. Based on 198 million weighted average shares, earnings per share (EPS) for the first half of year 2013 were reported as NT\$1.99.

Consolidated net sales for the second quarter of year 2013 were NT\$5.09 billion, which represents a 4% decrease compared to NT\$5.32 billion for the 2nd quarter of year 2012. Income before tax for 2Q'13 were NT\$335 million, which represents a 16% year-over-year increase over NT\$289 million for 2Q'12. Net income for 2Q'13 were NT\$276 million, which also represents a 18% year-over-year increase compared to NT\$233 million for the same period last year. Based on 198 million weighted average shares, EPS were reported as NT\$1.39 for the second quarter of year 2013.

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

(In NT\$MN)	1H 2013		1H 2012		Change
	Amount	%	Amount	%	
Net Revenue	9,201	100.0%	9,461	100.0%	-2.7%
Cost of Goods Sold	7,823	85.0%	7,962	84.2%	-1.7%
Gross Profit	1,378	15.0%	1,499	15.8%	-8.1%
Operating Expenses	1,053	11.5%	970	10.3%	8.6%
Operating Profit	325	3.5%	529	5.5%	-38.6%
Non-operating Income & Expenses	152	1.7%	-47	-0.5%	423.4%
Income before Tax	477	5.2%	482	5.0%	-1.0%
Net Income	395	4.3%	394	4.2%	0.3%
EPS (NTD\$1) *	1.99		2.07		

\* Based on weighted average shares: 198,447 thousand shares for 1H 2013 and 190,600 thousand shares for 1H 2012

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

(In NT\$MN)	2Q 2013		2Q 2012		Change
	Amount	%	Amount	%	
Net Revenue	5,093	100.0%	5,317	100.0%	-4.2%
Cost of Goods Sold	4,291	84.3%	4,462	83.9%	-3.8%
Gross Profit	802	15.7%	855	16.1%	-6.2%
Operating Expenses	557	10.9%	535	10.1%	4.1%
Operating Profit	245	4.8%	320	6.0%	-23.4%
Non-operating Income & Expenses	90	1.8%	-31	-0.6%	390.3%
Income before Tax	335	6.6%	289	5.4%	15.9%
Net Income	276	5.4%	233	4.4%	18.5%
EPS (NTD\$1) *	1.39		1.22		

\* Based on weighted average shares: 198,445 thousand shares for 2Q 2013 and 190,494 thousand shares for 2Q 2012

**Table 3: Consolidated Balance Sheet**

(In NT\$MN)	June 30, 2013		June 30, 2012	
	Amount	%	Amount	%
Cash Equivalents	4,494	32.5%	3,801	28.2%
A/R	2,508	18.1%	2,216	16.4%
Inventory	2,427	17.6%	2,727	20.2%
Other Current Assets	494	3.6%	1,408	10.4%
Non-current Assets	3,899	28.2%	3,354	24.8%
Total Assets	13,822	100.0%	13,506	100.0%
Loan	1,559	11.3%	2,191	16.2%
A/P	4,679	33.8%	4,819	35.7%
Leasehold Payable	189	1.4%	341	2.5%
Corporate Bonds Payable	1,222	8.8%	549	4.1%
Other Payable & Liabilities	2,290	16.6%	2,209	16.3%
Total Liabilities	9,939	71.9%	10,109	74.8%
Total Equity	3,883	28.1%	3,397	25.2%

### 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 OEMs, telecommunication vendors and system integrators. Listed on Taiwan Stock Exchange (TSE:5388), Sercomm posted sales revenue of NT\$19.27 BN in 2012 (approximately US\$644.41MN). For more information, please visit [www.sercomm.com](http://www.sercomm.com)

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