

## Alpha Networks Inc. Reports Third Quarter 2013 Results

Hsinchu, Taiwan, November 12, 2013 -- Alpha Networks Inc. (TWSE: 3380) today announced its unaudited consolidated financial results for the third quarter of 2013.

The consolidated revenue for 3Q13 was NT\$6,370 million, up 4.9% from 2Q13. The net income after tax for 3Q13 increased 19.9% quarter over quarter mainly contributed by higher gross margin of 16.3% and lower operating expenses compared to 2Q13. EPS after tax of 3Q13 was NT\$0.50. 3Q13's revenue by product categories: LAN/MAN accounted for 42% of 3Q13 consolidated revenue, followed by Wireless at 26%, Mobile & Broadband at 14%, and Digital Multimedia at 18%.

The consolidated revenue for the nine months ended September 30, 2013 was NT\$17,294 million, down 10.7% on a year-over-year basis. The net income after tax was NT\$491 million, down 9.9% year over year, and EPS after tax was NT\$1.01. The revenue by product categories: LAN/MAN accounted for 44%, followed by Wireless at 26%, Mobile & Broadband at 10%, Digital Multimedia at 19%, and Others at 1%.

Alpha Networks Inc. 3Q13 Results and QoQ comparison: (Unit: NT\$ million)

	3Q13	%	2Q13	%	QoQ Change %
Net Sales	6,370	100.0	6,075	100.0	4.9%
Gross Profit	1,037	16.3	911	15.0	13.8%
Operating Income	305	4.8	166	2.7	83.7%
Income before Tax	323	5.1	221	3.6	46.2%
Net Income <sup>1</sup>	241	3.8	201	3.3	19.9%
EPS after Tax (NT\$)	0.50		0.41		

Alpha Networks Inc. 1Q-3Q'13 Results and YoY comparison: (Unit: NT\$ million)

	1Q-3Q'13	%	1Q-3Q'12	%	YoY Change %
Net Sales	17,294	100.0	19,371	100.0	-10.7%
Gross Profit	2,711	15.7	3,002	15.5	-9.7%
Operating Income	528	3.1	845	4.4	-37.5%
Income before Tax	616	3.6	745	3.8	-17.3%
Net Income <sup>1</sup>	491	2.8	545	2.8	-9.9%
EPS after Tax (NT\$)	1.01		1.07		

<sup>1</sup> Attributable to stockholders of parent company, excluding minority interest.

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