

Alpha Networks Inc. Reports Third Quarter 2012 Results

Hsinchu, Taiwan, October 29, 2012 -- Alpha Networks Inc. (TWSE: 3380) today announced its unaudited consolidated financial results for the third quarter of 2012.

The consolidated revenue for 3Q12 was NT\$6,210 million, down 9% from 2Q12. The net income after tax was NT\$143 million, down 45% quarter over quarter, and EPS after tax of 3Q12 was NT\$0.28. 3Q12's revenue by product categories: LAN/MAN accounted for 49% of 3Q12 consolidated revenue, followed by Wireless at 28%, Mobile & Broadband at 7%, Digital Multimedia at 15%, and Others at 1%.

The consolidated revenue for the nine months ended September 30, 2012 was NT\$19,371 million, up 6% on a year-over-year basis. The operating income increased 30% from the prior-year period with higher gross margin and operating margin. The net income after tax was NT\$541 million, down 14% year over year mainly due to the non-operating expenses, and EPS after tax was NT\$1.06. The revenue by product categories: LAN/MAN accounted for 49%, followed by Wireless at 28%, Mobile & Broadband at 8%, Digital Multimedia at 13%, and Others at 2%.

Alpha Networks Inc. 3Q12 Results and QoQ comparison: (Unit: NT\$ million)

	3Q12	%	2Q12	%	QoQ Change %
Net Sales	6,210	100.0	6,839	100.0	-9%
Gross Profit	930	15.0	1,076	15.7	-14%
Operating Income	203	3.3	396	5.8	-49%
Income before Tax	167	2.7	401	5.9	-58%
Net Income ¹	143	2.3	261	3.8	-45%
EPS after Tax (NT\$)	0.28		0.51		

Alpha Networks Inc. 1Q-3Q'12 Results and YoY comparison: (Unit: NT\$ million)

	1Q-3Q'12	%	1Q-3Q'11	%	YoY Change %
Net Sales	19,371	100.0	18,310	100.0	6%
Gross Profit	3,002	15.5	2,767	15.1	8%
Operating Income	841	4.3	645	3.5	30%
Income before Tax	740	3.8	767	4.2	-4%
Net Income ¹	541	2.8	628	3.4	-14%
EPS after Tax (NT\$)	1.06		1.33		

¹ Attributable to stockholders of parent company, excluding minority interest.

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