



# News Release

## Alpha Networks Inc. 2005 Third Quarter Report

- **Total quarterly revenue expanded to NT\$4,981 million for a QoQ revenue increase of 26%**
- **Net income of NT\$387 million, increasing 110% over the previous quarter**
- **Earnings per share up 111% to NT\$1.37.**

Issued by: Alpha Networks Inc.

Issued on: 2005/10/28

Hsinchu, Taiwan, October 28, 2005 – Alpha Networks Inc. (Taiwan: 3380.TW) today announced revenue and net income figures for the quarter ended September 30, 2005. Third quarter revenue reached NT\$4,981 million while net income and earnings per share came to NT\$387 million and NT\$1.37 per share, respectively.

On a sequential basis, third quarter results represent a 26% increase in revenue, a 110% increase in net income and a 111% increase in EPS. Year-over-year comparison shows increase in revenue, net income and EPS to be 43%, 90%, and 67%, respectively.

Revenue by product categories: Broadband ranked No.1, accounting for 43% of 3Q/05 revenue, followed by MAN/LAN 32% and Wireless 21%.

Alpha Networks Inc. 2005 Third Quarter Results: (Unit: NT\$ million)

	2005 Q3	2005 Q2	QoQ Change %	2004 Q3	YoY Change %
Net Sales	4,981	3,962	26%	3,485	43%
Gross Profit	898	636	41%	683	31%
Operating Income	458	225	104%	293	56%
Income before Tax	461	220	110%	226	104%
Net Income	387	184	110%	204	90%
EPS (NT\$)	1.37*	0.65**	111%	0.82***	67%

\*Based on 282,900 thousand weighted average outstanding shares

\*\* Based on 282,900 thousand weighted average outstanding shares

\*\*\*Based on 245,890 thousand weighted average outstanding shares

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