

## Alpha Networks Inc. Reports Fourth Quarter 2015 Results

Hsinchu, Taiwan, March 23, 2016 -- Alpha Networks Inc. (TWSE: 3380) today announced its unaudited consolidated financial results for the fourth quarter of 2015.

The consolidated revenue in 4Q15 was NT\$5,370 million, with gross margin 11.9%. Operating loss was NT\$48 million, or -0.9% of net sales. Net loss was NT\$115 million, or -NT\$0.26 per share. 4Q15's revenue by product categories: LAN/MAN accounted for 54% of 4Q15 consolidated revenue, followed by Wireless at 22%, Digital Multimedia at 17%, and Mobile & Broadband at 7%.

The consolidated revenue of 2015 was NT\$22,995 million, with gross margin of 12.6%. Operating margin was NT\$98 million, or 0.4% of net sales. As a result of impairment loss recognition, net loss of 2015 was NT\$340 million, or -NT\$0.74 per share. Revenue by product categories: LAN/MAN accounted for 54% of 2015 consolidated revenue, followed by Wireless at 22%, Digital Multimedia at 16%, and Mobile & Broadband at 8%.

In order to strengthen the competitiveness and profitability, Alpha Networks will continue to focus on efficiency of operation, optimization of product portfolio, cutting-edge technology development and new product deployment for the future growth.

Alpha Networks Inc. 4Q15 Results and QoQ comparison: (Unit: NT\$ million)

	4Q15	%	3Q15	%	QoQ Change
Net Sales	5,370	100.0	5,467	100.0	-1.8%
Gross Profit	640	11.9	726	13.3	-11.8%
Operating Income (Loss)	(48)	(0.9)	(18)	(0.3)	166.7%
Income (Loss) before Tax	(86)	(1.6)	(265)	(4.9)	-67.2%
Net Income (Loss)	(115)	(2.1)	(292)	(5.3)	-60.6%
Earnings (Loss) Per Share (NT\$)	(0.26)		(0.65)		

Alpha Networks Inc. 2015 Results and YoY comparison: (Unit: NT\$ million)

	2015	%	2014	%	YoY Change %
Net Sales	22,995	100.0	23,278	100.0	-1.2%
Gross Profit	2,900	12.6	3,265	14.0	-11.2%
Operating Income (Loss)	98	0.4	469	2.0	-79.1%
Income (Loss) before Tax	(261)	(1.1)	658	2.8	-139.7%
Net Income (Loss)	(340)	(1.5)	536	2.3	-163.4%
Earnings (Loss) Per Share (NT\$)	(0.74)		1.10		

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