

Alpha Networks Inc. Reports First Quarter 2017 Results

Hsinchu, Taiwan, May 4, 2017 -- Alpha Networks Inc. (TWSE: 3380) today announced its consolidated financial results for the first quarter of 2017.

The consolidated revenue for 1Q17 was NT\$4,765 million, down 8.2% on a year-over-year basis. However, gross profit increased 9.4% to NT\$816 million from last year, and gross margin was 17.1%, up 2.7 points as a result of better product mix and disciplined cost management. Operating expenses were NT\$594 million, down 8.0% year-over-year. Operating income was NT\$222 million, or 4.7% of net sales. Net income increased 120.5% to NT\$172 million year-over-year, or NT\$0.40 per share.

1Q17's revenue by product categories: LAN/MAN accounted for 61% of 1Q17 consolidated revenue, followed by Wireless Broadband at 23%, and Digital Multimedia at 16%.

Alpha Networks Inc. 1Q17 Results and YoY comparison: (Unit: NT\$ million)

	1Q17	%	1Q16	%	QoQ Change %
Net Sales	4,765	100.0	5,190	100.0	-8.2%
Gross Profit	816	17.1	746	14.4	9.4%
Operating Expenses	594	12.5	646	12.4	-8.0%
Operating Income	222	4.7	100	1.9	122.0%
Non-Operating Income (Loss)	(8)	(0.2)	8	0.2	-200.0%
Income before Tax	214	4.5	108	2.1	98.1%
Net Income	172	3.6	78	1.5	120.5%
Earnings Per Share (NT\$)	0.40		0.18		

Alpha Networks Inc. Sales Breakdown for 1Q17 and YoY comparison: (Unit: NT\$ million)

Product Categories	1Q17	%	1Q16	%
LAN/MAN	2,895	61%	2,708	52%
Wireless Broadband	1,114	23%	1,508	29%
Digital Multimedia	754	16%	968	19%
Others	2	0%	6	0%
Total	4,765	100%	5,190	100%

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