



# News Release

## Alpha Networks Inc. 2006 First Quarter Report

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Hsinchu, Taiwan, April 27, 2006 – Alpha Networks Inc. (Taiwan: 3380.TW) today announced the results for the quarter ending March 31, 2006, in which revenue reached NT\$4,624 million, net income was NT\$212 million, and earnings per share was NT\$0.74.

On a YoY basis, revenue increased 26%, while net income rose 72% in the same time period. Revenue by product categories was as follows: Broadband/VoIP ranked No.1, accounting for 39% of 1Q/06 revenue, followed by MAN/LAN at 30%, Wireless at 22%, Digital Home at 2%, and others 7%. Viewed by business unit, D-Link accounted for 42% of revenues in 1Q, Japan 23%, China 13%, North America 11%, Europe 6%, and other areas 5%.

Alpha Networks Inc. 2006 First Quarter Results: (Unit: NT\$ million)

	2006 Q1	2005 Q1	YoY Change %	2005 Q4	QoQ Change %
<b>Net Sales</b>	4,624	3,678	26%	5,095	-9%
<b>Gross Profit</b>	709	595	19%	979	-28%
<b>Operating Income</b>	287	202	42%	471	-39%
<b>Income before Tax</b>	260	150	73%	395	-34%
<b>Net Income</b>	212	123	72%	328	-35%
<b>EPS after Tax (NT\$)</b>	0.74	0.49	51%	1.16	-36%

### Media Contact

Eva Hung, Deputy Manager

Tel: (03) 563-6666 Ext. 5098

Company website: <http://www.alphanetworks.com>

Email: IR@alphanetworks.com