



News Release

Alpha Networks Inc. 2007 Second Quarter Report

Issued by: Alpha Networks Inc.

Issued on: 2007/08/03

Alpha Networks Inc. (Taiwan: 3380.TW) held an investor conference today to discuss results for the first half and 2nd quarter of 2007.

Total consolidated revenue in the first half of 2007 reached NT\$10,579 million, increased 7% on a YoY basis, net income was NT\$510 million, increased 43% YoY, and EPS after tax was NT\$1.41. Revenue by product categories was as follows: LAN/MAN accounts for 38% of 1H/07 revenue, Broadband plus VoIP at 32%, Wireless at 22%, and Digital Multimedia at 7%

Total consolidated revenue of 2Q07 was NT\$5,544 million, increased 10% QoQ and 4% YoY, net income after tax was NT\$248 million, decreased 5% QoQ and increased 72% YoY. EPS after tax of 2Q07 was NT\$0.68. Revenue by product categories was as follows: LAN/MAN accounts for 41% of 2Q/07 revenue, followed by Broadband plus VoIP at 30%, Wireless at 21%, and Digital Multimedia at 7%.

Alpha Networks Inc. 2007 First Half Results: (Unit: NT\$ million)

	2007 1H	2006 1H	YoY Change %
Net Sales	10,579	9,856	7%
Gross Profit	1,978	1,535	29%
Operating Income	768	486	58%
Income before Tax	652	443	47%
Net Income	510	356	43%
EPS after Tax (NT\$)	1.41	1.01	

Alpha Networks Inc. 2007 Second Quarter Results: (Unit: NT\$ million)

	2007 Q2	2007 Q1	QoQ Change %	2006 Q2	YoY Change %
Net Sales	5,544	5,035	10%	5,310	4%
Gross Profit	1,014	964	5%	770	32%
Operating Income	417	351	19%	217	92%
Income before Tax	323	329	-2%	182	77%
Net Income	248	262	-5%	144	72%
EPS after Tax (NT\$)	0.68	0.73		0.43	

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