

HTC REPORTS FOURTH QUARTER AND ANNUAL 2018 RESULTS

Taipei, Taiwan – March 15, 2019 – HTC Corporation (TWSE: 2498), a global leader in innovation and design, today announced consolidated results for its fiscal 2018 fourth quarter and for the year.

4Q18 Financial Highlights :

- Quarterly revenue of NT\$4.1 billion with gross margin of 8.0%, up 3.3% sequentially and the fourth consecutive quarterly increase since Q4'17
- Quarterly operating loss of NT\$2.8 billion with operating margin of -68.7%
- Quarterly net loss after tax: NT\$4.4 billion, or NT\$5.31 loss per share

2018 Financial Highlights :

- FY2018 revenue of NT\$23.7 billion, gross profit of NT\$0.515 billion
- FY2018 after tax income of NT\$12.0 billion or NT\$14.72 earnings per share

4Q18 Business Update :

- **5G Hub:** joint announcements and demonstrations of the HTC 5G Hub by leading carriers Sprint, Telstra and China Mobile position HTC at the forefront of 5G innovation
- **HTC VIVE:** strong enterprise push in Q4'18, demonstrating VIVE's increased commitment to bringing best-in-class design and software expertise—paired with the world's best VR hardware—to businesses of all sizes. This included:
 - Global launch of the VIVE Focus for enterprise, offering the most complete and powerful standalone VR experience available for businesses on the market today.
 - Expansion of the VIVE Wave VR Platform ecosystem, with partner hardware firms including Shadow Creator building their standalone and smartphone-based head-mounted devices on the platform.
 - Launch of VIVE Sync, an intuitive collaboration tool for enterprises, where internal teams can meet in a virtual shared space, improving communication and productivity amongst organizations
- **VIVE X:** announced its fourth batch of 16 companies joining the accelerator program across six locations around the world, including London for the first time, with a focus on enterprise VR/AR. VIVE X has funded around a hundred companies since its inception in July 2016.
- **Smartphones:** HTC Desire 12s launched in December in some regions, continuing the trend in the series of affordable, high-quality, high-spec, entry-level smartphones, with dual-texture case, 13MP front and back cameras, Qualcomm octa-core CPU, and NFC and fingerprint sensor for safe payments.
- **Blockchain:** HTC 'Exodus 1', the early version of the blockchain phone, was launched in October, inviting cooperation from global crypto communities and developers. Preorders using Bitcoin or Ethereum opened, with delivery starting in December.



Quarterly Results Information

HTC investor information may be accessed at:

<http://investors.htc.com/phoenix.zhtml?c=148697&p=irol-irhome>

About HTC

HTC Corporation aims to bring brilliance to life. As a global innovator in smart mobile devices and virtual reality devices and technology, HTC has produced award-winning products and industry firsts since its inception in 1997, including the critically acclaimed HTC U and Desire lines of premium and flagship smartphones, and leads the VR industry with the VIVE portfolio. The pursuit of brilliance is at the heart of everything we do, inspiring best-in-class design and game-changing mobile and virtual reality experiences for consumers around the world. HTC is listed on the Taiwan Stock Exchange (TWSE: 2498). www.htc.com

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