

HTC REPORTS 3Q 2011 RESULTS

QUARTERLY REVENUES, NET PROFITS AND EPS ALL HIT NEW HIGHS

Taoyuan, Taiwan, R.O.C. October 31, 2011 – HTC Corporation (“HTC”, or the “Company”, TWSE: 2498), a global leader in smartphone innovation and design, today announced consolidated results of the Company and its subsidiaries for the third quarter of 2011.

3Q Highlights

- After-tax profit was NT\$18.68bn, up 68% year-on-year; EPS was NT\$22.07
- Total revenues grew for the sixth consecutive quarter since 1Q 2010 and reached NT\$135.82bn, up 79% year-on-year
- Handset shipments totalled 13.2mn units, up 93% year-on-year
- ASP was US\$344, up 0.6% year-on-year
- Gross profit margin and operating margin were both in line with original guidance at 28.0% and 14.9%, respectively

3Q 2011 Results

HTC’s diverse product offerings, expanded distribution network and growing global brand recognition, have helped the Company deliver a record-high quarterly revenue of NT\$135.82bn in the third quarter of 2011, resulting in after-tax earnings of NT\$18.68bn and EPS of NT\$22.07.

HTC sold 13.2 million smartphones in 3Q 2011: 93% more than the same period last year, and 9% more than the second quarter of this year.

New products launched during 3Q addressed a wide variety of customers and market segments. Co-branded with Beats, HTC Sensation XE and HTC Sensation XL offer a studio-quality experience to consumers. HTC Rhyme bundled a new HTC Sense experience and sleek accessories to create a lifestyle device. The Company expanded its entry-level offerings by launching HTC Explorer into emerging markets, such as India, on the heels of HTC Wildfire’s success. And HTC Titan and HTC Radar were the first smartphones to launch with the new Windows Phone “Mango” platform.

China is one of the most important growth regions for HTC, and China reported top sales growth across all regions this quarter – 9x more than its sales volume in the same period last year. HTC Wildfire has become an iconic, mainstream smartphone in the region, and HTC launched the flagship HTC Sensation into two major operators (China Mobile and China Unicom) networks. Two highly-customized social networking devices – HTC 微客 with Sina Weibo and HTC ChaCha with QQ – showed HTC’s strong commitment to deepen Chinese consumers’ experience. The Company aims to capture early brand preference in China, as smartphone penetration is at an early stage.

Operating profit continued to grow from NT\$12.40 billion in the same period last year, to NT\$20.18 billion this quarter- up 63% year-on-year and 5% quarter-on-quarter - on the back of expansion in

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operating scale and increased revenue. HTC is focused on driving economic scale to achieve efficient operating leverage and a healthy operating margin level.

“We aim to lead the way as the smartphone market continues to expand and change rapidly,” said Peter Chou, CEO of HTC. “We pride ourselves on anticipating market and consumer needs and addressing them before they are realized. We are growing rapidly and responsibly around the globe and continue to expand our leadership in new areas, such as LTE.”

LTE technology is expected to be the next generation wireless communication technology for high-speed data. Since 2009, HTC has maintained its leadership position in 4G, developing and shipping more 4G devices than any other company. An LTE device upgrade cycle is foreseeable in 2012 in both the United States and some advanced markets in Asia (e.g., Japan, Korea, and Hong Kong). HTC is poised to capture an advantage in this market.

In addition to LTE, HTC has invested in delivering innovation to the entry-level smartphone sector. HTC Wildfire has become one of the Company’s top selling products, and the newly-launched HTC Explorer continues to attract first-time smartphone buyers. The Company is committed to drive innovation, not only with high-end LTE devices, but also to the mass market.

Despite uncertainties in the macro-economic environment, HTC believes in its ability to continue to drive strong growth, and is committed to continue investing in marketing, operations and R&D. Going into fourth quarter this year, HTC’s retail presence in China is expected to expand, totaling up to 2,000 outlets. A new factory in Taoyuan is scheduled to complete beginning of next year, which has the potential to increase capacity by up to 40 million units per year. Last but not least, the Company continues its focus on creating global brand preference and emotional connection with customers.

4Q 2011 Outlook

The Company’s outlook for the fourth quarter of 2011 is as follows:

- 4Q revenue expected to be around NT\$125 to 135bn, up 20% to 30% year-on-year
- 4Q shipment expected to be around 12.0 to 13.0mn units, up 31% to 42% year-on-year
- Gross margin expected to be around 28.0%±0.5%
- Operating margin expected to be in the range of 14.5%±0.5%

Conference Call and Webcast

HTC will host its quarterly conference call in Chinese beginning at 4 p.m. (Taiwan Time, GMT+8), and quarterly conference call in English beginning at 8 p.m. (Taiwan Time, GMT+8) on Monday, October 31st, 2011. The conference call in Chinese will be webcast live with audio and slides at :

http://www.mzcan.com/cancast/taiwan/index.php?id=tw2498_143&version=c and webcast link for the call in English is http://www.mzcan.com/cancast/taiwan/index.php?id=tw2498_143&version=e.

About HTC

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HTC Corporation (HTC) is one of the fastest growing companies in the mobile industry. By putting people at the center of everything it does, HTC creates innovative smartphones and tablets that better serve the lives and needs of individuals. The company is listed on the Taiwan Stock Exchange under ticker 2498. For more information about HTC, please visit www.htc.com.

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