

## HTC REPORTS FOURTH-QUARTER AND ANNUAL 2011 RESULTS

**Taoyuan, Taiwan, February 6, 2012** – HTC Corporation (“HTC”, or the “Company”, TWSE: 2498), a global leader in mobile innovation and design, today announced consolidated results of the Company and its subsidiaries for the fourth quarter of 2011 and for the year.

### 4Q Highlights

- After-tax profit was NT\$10.94bn, EPS was NT\$13.06
- Total revenues were NT\$101.42bn
- Gross profit margin and operating margin were 27.12% and 12.71%, respectively

### 2011 Highlights

- After-tax profit was NT\$61.98bn, up 56.77% year-on-year; EPS was NT\$73.32
- Total revenue was NT\$465.79bn, up 67.09% year-on-year
- Gross profit margin and operating margin was 28.30% and 14.77%, respectively
- ROE was 70.37% compared to 56.33% in 2010

“In 2011 we saw growth in the global strength of our brand, as well as earnings and revenue growth,” said Peter Chou, CEO of HTC. “While short term performance may not meet the results as expected, we have gained further experience and advancement in the areas of brand management and product innovation. These fundamental strengths and the groundwork we have laid will take us into 2012 with a renewed focus and determination.”

### 4Q 2011 Results

HTC’s fourth quarter revenue came in-line at NT\$101.42bn, resulting in after-tax earnings of NT\$10.94bn and EPS of NT\$13.06. Gross profit and operating margins came in at 27.12% and 12.71%, respectively. The decline in gross profit margin was mainly a result of product transition.

### 2011 Results

2011 annual revenue was NT\$465.79bn, a 67.09% increase over 2010 annual revenues (NT\$278.76bn), resulting in after-tax earnings of NT\$61.98bn. Overall gross profits and operating margins were 28.30% and 14.77%, respectively.

In 2011, in addition to solid growth in revenues and profits, HTC’s brand gained significant momentum in the global landscape, being named one of Interbrand’s 100 Best Global Brands.

### 2012 Outlook

In 2012, HTC will focus on: growing the Company’s brand value; continuing to create competitive advantages through innovation; enhancing the efficiency of marketing campaigns; and further driving down operating costs.

To expand its brand preference and value, HTC will work at a global level to build emotional connections with consumers, putting more of its marketing resources behind fewer products and driving value in those product brands. By building a globalized marketing campaign, HTC aims to

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optimize its go-to-market strategy with operators, retail distributors, and end-users, and improve the efficiency of its marketing spend. In emerging markets, such as China, HTC will continue to extend its reach to customers by expanding distribution channels.

Despite temporary weakness resulting from product cycle transition, HTC believes it has the ability to create a new wave of momentum through the upcoming product cycle. It will also continue its attention on mass market consumers by driving product differentiation through design and innovation.

### 1Q Outlook

The Company's outlook for the first quarter of 2012 is as follows:

- 1Q revenue expected to be around NT\$65-70bn
- Gross margin expected to be around 25%
- Operating margin expected to be around 7.5%

These margins are a temporary phenomenon and will be normalized when product cycle transition is over.

### 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 9 p.m. (Taiwan Time, GMT+8) on Monday, 6 February, 2012. The conference call in Chinese will be webcast live with audio and slides at : [http://www.mzcan.com/cancast/taiwan/index.php?id=tw2498\\_146&version=c](http://www.mzcan.com/cancast/taiwan/index.php?id=tw2498_146&version=c) and webcast link for the call in English is

[http://www.mzcan.com/cancast/taiwan/index.php?id=tw2498\\_147&version=e](http://www.mzcan.com/cancast/taiwan/index.php?id=tw2498_147&version=e)

### About HTC

Founded in 1997, HTC Corporation (HTC) is the creator of many award-winning mobile devices and industry firsts. By putting people at the center of everything it does, HTC pushes the boundaries of design and technology to create innovative and personal experiences for consumers around the globe. HTC's portfolio includes smartphones and tablets powered by HTC Sense™, a multilayered graphical user interface that vastly improves user experience. HTC is listed on the Taiwan Stock Exchange (TWSE: 2498). For more information, please visit [www.htc.com](http://www.htc.com).

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