



HTC Board of Directors resolved to change repurchase purpose of treasury stock from transferring to employees to cancellation of shares

October 27, 2011

1.Date of the board of directors resolution:2011/10/28

2.Purpose of the share repurchase after the change:For the shareholders' interest. The purchased shares will be canceled by HTC.

3.Original types of shares to be repurchased:HTC's common stocks

4.Original ceiling on total monetary amount of the share repurchase:NT\$57,909,884,301

5.Original scheduled period for the repurchase:2011/07/18~2011/08/17

6.Original number of shares to be repurchased:10,000,000 shares.

7.Original repurchase price range:NT\$900 to NT\$1,100 per share. In the event that HTC's share price is lower than this price range, HTC may continue to buy back its shares.

8.Original method for the repurchase:To buy back shares from Taiwan Stock Exchange.

9.Original ratio of the shares to be repurchased to total issued shares of the Company:1.22%

10.Number of the Company's own shares held at the time of reporting:23,911,045 shares

11.Status of repurchases within three years prior to the time of reporting:From Oct. 13, 2008 to Sep. 16, 2011, HTC had bought back 61,871,000 shares of common stock.

12.Status of repurchases that have been reported but not yet completed:

The first time of repurchase of shares was not completed.

Reason: In order to protect shareholders' interest, the Company bought back its own shares according to the movement of stock price. The execution rate was 72.48%.

The third time of repurchase of shares was not completed.

Reason: In order to protect shareholders' interest, the Company bought back its own shares according to the movement of stock price. The execution rate was 54.50%.

The fifth time of repurchase of shares was not completed.

Reason:The stock price of the Company was over the price ceiling sometimes during the buyback period. The execution rate was 47.86%.

The seventh time of repurchase of shares was not completed.

Reason:Since stock price of HTC Corp. during the repurchase period was higher than the price ceiling approved by the Board of Director, there is no execution of buyback.

13.Minutes of the board of directors meeting that passed the resolution to change the purpose of the share repurchase:

Proposal on the amendment of the repurchase purpose for the 10,000,000 shares bought back by Company from July 21, 2011 to August 17, 2011 is submitted for resolution.

Content:

(1)Per the resolution passed in the 13th meeting of the 6th Board of Directors, Company repurchased 10,000,000 shares for the transfer of such shares to employees. The actual repurchase period was from July 21, 2011 to August 17, 2011 with 10,000,000 shares repurchased at an average repurchase price of NTD 850.93 per share.

(2)It is proposed to amend the original repurchase purpose to effect the cancellation of shares for the rights/benefits of shareholders and Company's credit in accordance with Article 28-2 of the Securities and Exchange Act and Article 2 of Regulations Governing Share Repurchase by Exchange-Listed and OTC-Listed Companies.

(3)Please discuss for resolution.

Resolution:This Proposal has been approved unanimously by the Directors presented (seven seats).

14.The rules for transfer of shares set forth in Article 10 of the Guidelines for Repurchase of Shares by Listed and OTC

Companies:N/A

15.The rules for conversion or subscription of shares set forth in Article 11 of the Guidelines for Repurchase of Shares by Listed and OTC Companies:N/A

16.Declaration that the financial state of the Company has been considered by the board of directors and that its capital maintenance will not be affected:

1.The Corporation will repurchase, through a majority vote at the 13th meeting of the Sixth board of directors attended by at least a two-thirds quorum on July 16, 2011, its own shares at a centralized securities exchange market within two months from the day on which the repurchase was reported to the Financial Supervisory Commission (FSC), Executive Yuan.

2.The total number of the repurchased common shares constitutes 1.22% of the issued outstanding common shares and capitals needed for such repurchase only consist 5.98% of its current assets. The financial state of the company was considered at a meeting of the board of directors and that the maintenance of its capital would not be affected by the repurchase.

3.This Declaration has been approved unanimously by all the directors presented (Seven) at this board meeting.

17.Appraisal by a CPA or securities underwriter of the reasonableness of the share repurchase price:price range will not have an impact on HTC's financial structure, book value per share, earnings per share, return on equity, quick ratio, and current ratio except for cash flow.

18.Other particular specified by the Securities and Futures Bureau:The aforementioned NT\$57,909,884,301 is the regulatory cap on the total value of the shares could be bought. HTC Board of Directors resolved the ceiling on total monetary amount of the repurchase is NT\$11,000,000,000